



Wyoming Government Savings and Efficiency Project

Final Report - Addendum

ALVAREZ & MARSAL

March 25, 2019



Addendum

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ADDENDUM A: Organizational Line of Service Agency-Level Observations and Recommendations

Department of Administration & Information - Overview

A&I

The Department of Administration & Information (A&I) is a service organization that exists to support all Wyoming State agencies. A&I provides information, accounting, building maintenance and support, fiscal reporting, along with human resources, motor pool, and public library services.



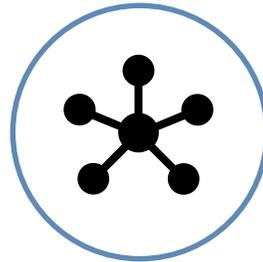
Budget

\$825,483,113



Offices

1



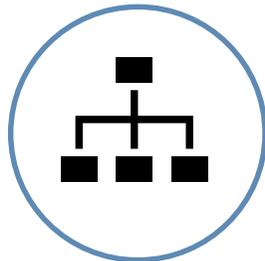
Divisions

6



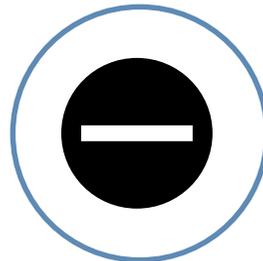
FTEs

208



Span of Control

3.8



Vacancies

10

Associated Boards & Commissions

Licensing

- Acupuncture
- Architects and Landscape Architects
- Athletic Training
- Chiropractic Training
- Dental Examiners
- Dietetics
- Funeral Service Practitioners
- Hearing Aid Specialists
- Mental Health Professions
- Midwifery
- Nursing Home Administrators
- Occupational Therapy
- Optometry
- Physical Therapy
- Podiatry
- Psychology
- Radiologic Technologists
- Respiratory Care
- Speech-Language Pathology and Audiology
- Veterinary Medicine

Administrative Agency State Functions

Wyoming's Department of Administration & Information provides 11 of the 14 administrative functions provided by similar agencies in peer states. Administrative agencies in peer-states provide between five and eight functions.

Administrative Agency Functions							
State	Human Resources	Health Care & Benefits	Budget	Accounting	Economic Analysis	General Services	Procurement
WY	✓	✓	✓		✓	✓	✓
CO	✓			✓		✓	✓
ND	✓		✓	✓		✓	✓
MT	✓	✓		✓		✓	✓
UT				✓		✓	✓
SD						✓	✓
ID	✓	✓		✓		✓	✓
NM			✓	✓	✓	✓	

Administrative Agency State Functions

Wyoming's Department of Administration & Information provides 11 of the 14 administrative functions provided by similar agencies in peer states. Administrative agencies in peer-states provide between five and eight functions.

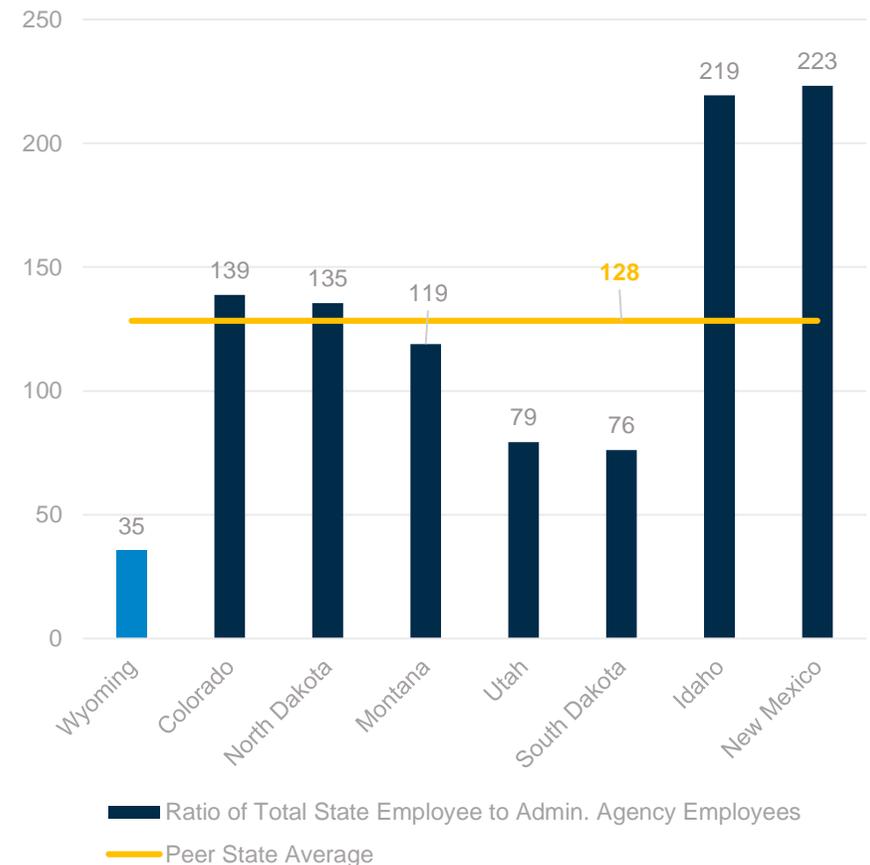
Administrative Agency Functions							
State	State Library	Motor Pool	Facilities Mgmt.	Risk Management	IT Services	Archives & Records	Bad Debt Recovery
WY	✓	✓	✓	✓		✓	
CO		✓	✓	✓			
ND			✓	✓			
MT			✓	✓	✓		
UT		✓	✓	✓		✓	
SD		✓	✓	✓			✓
ID			✓	✓	✓		
NM							✓

Relative Size of Administrative Agencies

Wyoming's ratio of full-time employees to other state Administrative Agency employees is significantly lower than the ratio of peer States, likely driven by the number of functions that A&I supports.

State Ratios of Total Full-Time Employees to Administrative Agency Employees

State	Number of Administrative Agency Functions	Administrative Agency Employees	Total State Employees	Ratio of Total State Employees to Admin. Agency Employees
Wyoming	11	213	7,557	35
Peer State Average	6.6	189	20,090	106
Colorado	7	425	58,969	139
North Dakota	7	117	15,847	135
Montana	8	140	16,670	119
Utah	6	454	36,000	79
South Dakota	5	165	12,556	76
Idaho	8	114	25,000	219
New Mexico	5	121	27,000	223



Administration & Information - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> The Department of Administration and Information (A&I) provides support services to all State agencies. These services are provided across six divisions, including Human Resources, Budget, Economic Analysis, General Services, State Library, and the Director's Office. 	<ul style="list-style-type: none"> Continue to pursue initiatives that improve efficiencies and streamline operations where possible. Optimize the use of technology to share information internally and with other departments.
Span of Control	<ul style="list-style-type: none"> A&I's Human Resources Division (HRD) led a span of control study based on the recommendation in A&M's Spending and Government Efficiency Phase 1 report. Findings from the study, and the associated recommendations, were shared with the Legislature in October 2018. HRD has begun working with agencies to review job classifications to help address span of control issues. 	<ul style="list-style-type: none"> Implement key efficiency recommendations to help improve span of control measures, while considering specific agency needs. Continue to support agencies as they work to increase span of control. Expand study to include occupational group reviews to ensure roles are properly classified based on qualifications and responsibilities.
Facilities Management	<ul style="list-style-type: none"> A&I General Services provides facilities support services to approximately 30 buildings in Cheyenne. Agency-specific staff provide maintenance support for facilities outside of Cheyenne with limited oversight from A&I. A&I uses the AiMS system to support facilities management. Construction management was moved from A&I to the State Construction Department (SCD) in 2016. A&I has worked with the Attorney General's Office to develop a set of standards for state office building usage. 	<ul style="list-style-type: none"> Continue to provide custodial and general facility maintenance services through A&I General Services Division. Explore opportunities to contract these services on a regional basis in the satellite offices. Manage all State facilities through a single platform (AiMS). Provide additional training on the AiMS system to support increased adoption across all agencies with facilities management responsibilities.

Administration & Information - Observations & Recommendations

	Observations	Recommendations
Financial Management	<ul style="list-style-type: none"> • A&I uses the IBARS system to manage the State's budget and appropriations processes. • The Economic Analysis Division within A&I analyzes demographic data similar to that used by the Department of Labor (DOL) to support its revenue estimates. 	<ul style="list-style-type: none"> • Identify opportunities to increase communication between the two financial management systems with a long-term goal of consolidating financial management within a single platform. • Develop enhanced mechanisms for sharing summary demographic data supporting labor analyses between A&I and DOL.
Human Resources	<ul style="list-style-type: none"> • All HR transactions are audited and reviewed by HRD. The SAO maintains payroll functions necessary to pay state employees. • The CGI system within the SAO is responsible for maintaining position control within the roster of employees. • A&I uses Halogen and NeoGov to support HR functions, including recruitment and performance management. 	<ul style="list-style-type: none"> • Enhance coordination between A&I HRD and SAO through the Payroll Center of Excellence to provide more effective management of HR functions, particularly payroll and position controls. • Engage the HR Center of Excellence to train all state employees with direct reports on HR systems to drive adoption and consistency in application across all state agencies.
Asset Management	<ul style="list-style-type: none"> • The State uses AiMS to track facilities. AiMs also has the capacity to manage preventative maintenance for buildings and vehicles. • A&I is responsible for the leasing function that manages agreements for all of the leased facilities occupied by state agencies. 	<ul style="list-style-type: none"> • Evaluate options to fully integrate asset management data with the facilities maintenance system. Streamline preventative/routine maintenance tracking within one system (AiMS). • Evaluate and estimate facility deferral maintenance requirements across all State agencies. • Partner with the State Construction Department to implement preventive maintenance measures during the construction of new State facilities.
State Library	<ul style="list-style-type: none"> • A&I maintains the State Library which includes many of the historical records of the State and provides support to the county library systems. There is a separate Archives function that exists within State Parks & Cultural Resources (SPCR). 	<ul style="list-style-type: none"> • Explore opportunities to increase coordination between the State Library and Archives function, including the opportunity for functional consolidation within the Records Management Center of Excellence.

Administration & Information - Observations & Recommendations

	Observations	Recommendations
Fleet Management	<ul style="list-style-type: none"> • The State has approximately 1,400 vehicles. A&I is responsible for vehicle purchase and maintenance for the majority of State agencies. GPS system helps in monitoring usage of state vehicles. • A&I's Motor Pool manages over 900 permanently assigned vehicles, along with a reservation pool of over 100 vehicles for use by state employees on a per trip basis. WYDOT has its own motor pool function because they generally purchase their own vehicles. Maintenance of some vehicles is provided by external mechanics. • The State is self-insured for all vehicles and requires employees to complete safety training before they can use state vehicles. • Currently, a third party consultant is conducting a comprehensive fleet management study which will be published January 2019. This study will provide strategy recommendations to achieve cost savings and management efficiencies within the motor pool. 	<ul style="list-style-type: none"> • Continue to centrally manage the State's fleet. For fleet purchases and contracted maintenance, consider partnering with WYDOT and local governments to drive more favorable pricing. • Continue to track vehicle usage for potential waste and abuse, but also to identify underutilized vehicles that could be pooled, repurposed or surplused. Consider pooling vehicles between WYDOT, Game & Fish, and State Parks & Cultural Resources on a regional basis. • Continue safety training for employees using State vehicles to decrease the risk of personnel accidents or loss/damage of assets.
Occupational Safety	<ul style="list-style-type: none"> • A&I initiated a voluntary OSHA review which resulted in a number findings the agency has worked to improve. A&I repurposed an existing position to create a safety officer role, despite the program not being legislatively mandated. 	<ul style="list-style-type: none"> • Continue to track the impact of A&I's safety program and collaborate with the Department of Workforce Services to enhance the occupational safety and Workforce Safety Programs. • Provide training to all employees functioning in a safety officer capacity to ensure the appropriate level of occupational safety expertise.

Administration & Information - Observations & Recommendations

	Observations	Recommendations
Boards & Commissions Support	<ul style="list-style-type: none">• A&I provides administrative support to 20 licensing boards through three licensing managers and three executive assistants. This is particularly important for boards that do not generate enough revenue to fund or require a full time staff.• Approximately 80 to 90 percent of independent licensing boards are based in Cheyenne. These boards issue a significant number of licenses and have a dedicated staff. These boards occupy leased space.• A&I has encouraged boards to use a common licensing platform.	<ul style="list-style-type: none">• Explore opportunities to create a common licensing platform that is shared by all of the State's licensing boards to reduce administrative burden and the cost of procuring and maintaining separate platforms.• Explore opportunities to consolidate professional service boards with overlap in expertise and function.• Evaluate the business case to create a shared office space for Boards and Commissions to reduce overhead costs.

State Auditor's Office - Overview

SAO

The State Auditor's Office (SAO) protects public money by ensuring that it is properly accounted for in the most efficient and cost effective means at all times. Promoting transparency and financial accountability are the Auditor's top priorities.



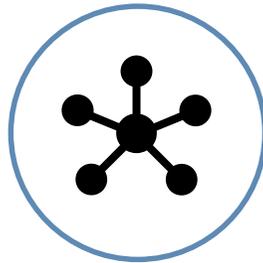
Budget

\$21,748,350



Offices

1



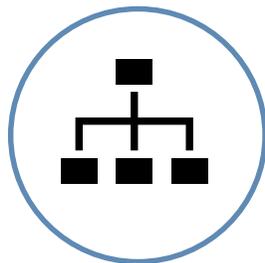
Divisions

4



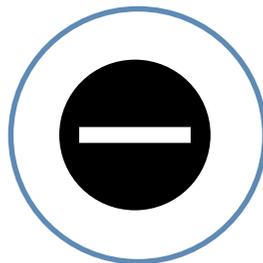
FTEs

25



Span of Control

4.2



Vacancies

0

Associated Boards & Commissions

Advisory

Financial Advisory Council
Spending & Government Efficiency Commission

State Auditor's Office Structure Comparison

Elected State Auditors are common among Wyoming's peer group. In general, the SAO focus areas are similar across peer states, though the functional impact varies (See Audit Section). However, Wyoming's SAO is unique in managing the State's financial system and producing Wyoming's annual CAFR.

State Auditor's Office Function					
State	Is State Auditor Elected, Appointed, or Other?	Fraud Special Investigations	Financial Review? (Y/N)	State Agency Performance Review? (Y/N)	CAFR Preparation
Wyoming	Elected	Y	Y	N	SAO
Colorado	Appointed by General Assembly	Y	Y	Y	Admin Services – State Controller
Idaho	Controller - Elected	Y	Y	Y	State Controller
Montana	Elected	Y	N	N	Admin Services – Finance Division
New Mexico	Elected	Y	Y	Y	Admin Services – State Controller
North Dakota	Elected	Y	Y	Y	Office of Management and Budget
South Dakota	Elected	N	Y	N	Chief Financial Officer
Utah	Elected	Y	Y	Y	Admin Services – Finance

State Auditor's Office - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> As an elected official of Wyoming, the State Auditor serves as the chief comptroller and payroll officer. The State Auditor's Office (SAO) protects public money by ensuring that it is properly accounted for effectively. Transparency and financial accountability are the SAO's top priorities. The SAO works closely with agencies to gather financial data and provide oversight as needed. 	<ul style="list-style-type: none"> Evaluate the benefits of having the SAO manage the new consolidated revenue recovery function.
Management of Fiscal and Budget Systems	<ul style="list-style-type: none"> Currently, the state's financial management system, WOLFS, is managed by the SAO. The budget system, IBARS, is managed by the budget department in A&I. Expenditure data from the SAO's financial management system is not easily accessible by other departments to conduct meaningful data analysis because of personally identifiable information (PII) in the vendor file. 	<ul style="list-style-type: none"> Utilize the existing Financial Advisory Council structure to forge partnerships with A&I, Revenue, Audit, and the State Treasurer to collaborate on initiatives impacting the State's financial management, including the uniform accounting system, technology enhancements, and analysis and reporting processes. Establish a customer facing working group to identify issues, develop corrective action plans, and partners with the SAO and agencies to address concerns. Ensure that vendors and benefit recipients are provided with unique identifiers, so that personally identifiable information (PII) is not present in the data. Develop additional databases within the system to exclude PII from data, so that expenditure reports can inform decision making.
Payroll and Position Control	<ul style="list-style-type: none"> Payroll transactions must be approved by A&I's Human Resources Division (HRD) before they can be executed by the SAO. Position control mechanisms reside within A&I HRD. 	<ul style="list-style-type: none"> Partner with A&I HRD through the recommended Shared Services Center to determine the appropriate division of duties related to payroll and position control. The SAO would maintain the ultimate payment authority for payroll warrants.

State Auditor's Office - Observations & Recommendations

	Observations	Recommendations
Independent Audit Function	<ul style="list-style-type: none"> The SAO coordinates preparation of the State's financial statements and the CAFR, partnering with contracted external auditors. There is no independent audit function within state government that consistently monitors agency performance to serve as the "watchdog" to protect citizen interests. 	<ul style="list-style-type: none"> Continue the State Auditor's role as the State's controller. The State should strengthen the performance audit function within the Department of Audit.
Transparency	<ul style="list-style-type: none"> The SAO has received a number of public records requests regarding the State's financial activity. Given system limitations, responding to these requests has been challenging for the SAO staff. To increase transparency, the SAO has issued a request for proposals (RFP) for a transparency platform that will allow constituents to more readily access desired information. 	<ul style="list-style-type: none"> Proceed with the process to implement a transparency platform, partnering with other agencies to integrate transparency efforts across State agencies.

Department of Revenue - Overview

DOR

The Department of Revenue (DOR) applies the tax laws of the state fairly and equitably to all taxpayers by valuing property, collecting taxes, and distributing those values and taxes timely to all the governmental units of Wyoming. In addition, the Department's Liquor Division distributes wine and spirits to retailers in the State and enforces the liquor control laws of the State.



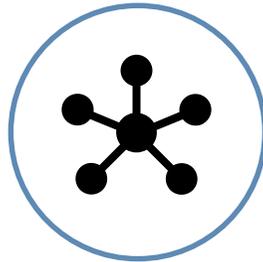
Budget

\$25,460,361*



Offices

8



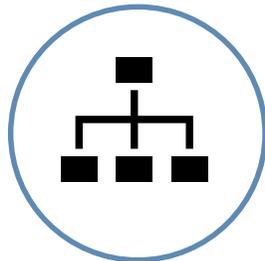
Divisions

5



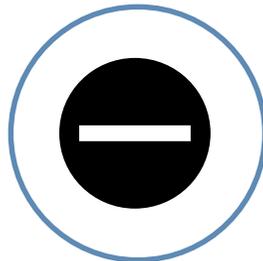
FTEs

111



Span of Control

4.2



Vacancies

3

Associated Boards & Commissions

Regulatory

State Board of Equalization
Impaired Driving Board

NOTE: DOR has spending authority for an additional \$202 million to allow for the purchase and sale of liquor.
DRAFT

Tax Collection Sources

Wyoming does not collect personal or corporate income tax, requiring a more significant portion of revenues to come from sales and mineral taxes.

Tax Collections by Source as a Percentage of Total Tax Collections, 2017

States	Property Taxes	Sales & Gross Receipts Taxes	License Taxes	Income Taxes	Other Taxes
Wyoming	16.6%	46.2%	9.8%	N/A	27.3%
Peer State Average	7.10%	47.09%	8.34%	33.44%	11.74%
Montana	10.3%	21.7%	12.4%	49.1%	6.4%
North Dakota	0.1%	38.9%	6.2%	11.0%	43.8%
South Dakota	N/A	83.0%	14.7%	1.7%	0.6%
Idaho	N/A	49.8%	8.5%	41.6%	0.1%
New Mexico	1.4%	53.1%	5.3%	24.8%	15.3%
Utah	N/A	45.1%	4.1%	50.4%	0.4%
Colorado	N/A	38.9%	5.7%	55.5%	0.0%

Source: US Census Bureau, [State Government Tax Collections](#), 2017. Tax collections by source as a percentage of total tax collections.

Peer Group Combined State and Local Sales Tax Rate

Wyoming's sales tax rate, including the average local sales tax rate, is among the lowest in the peer group and across the nation.

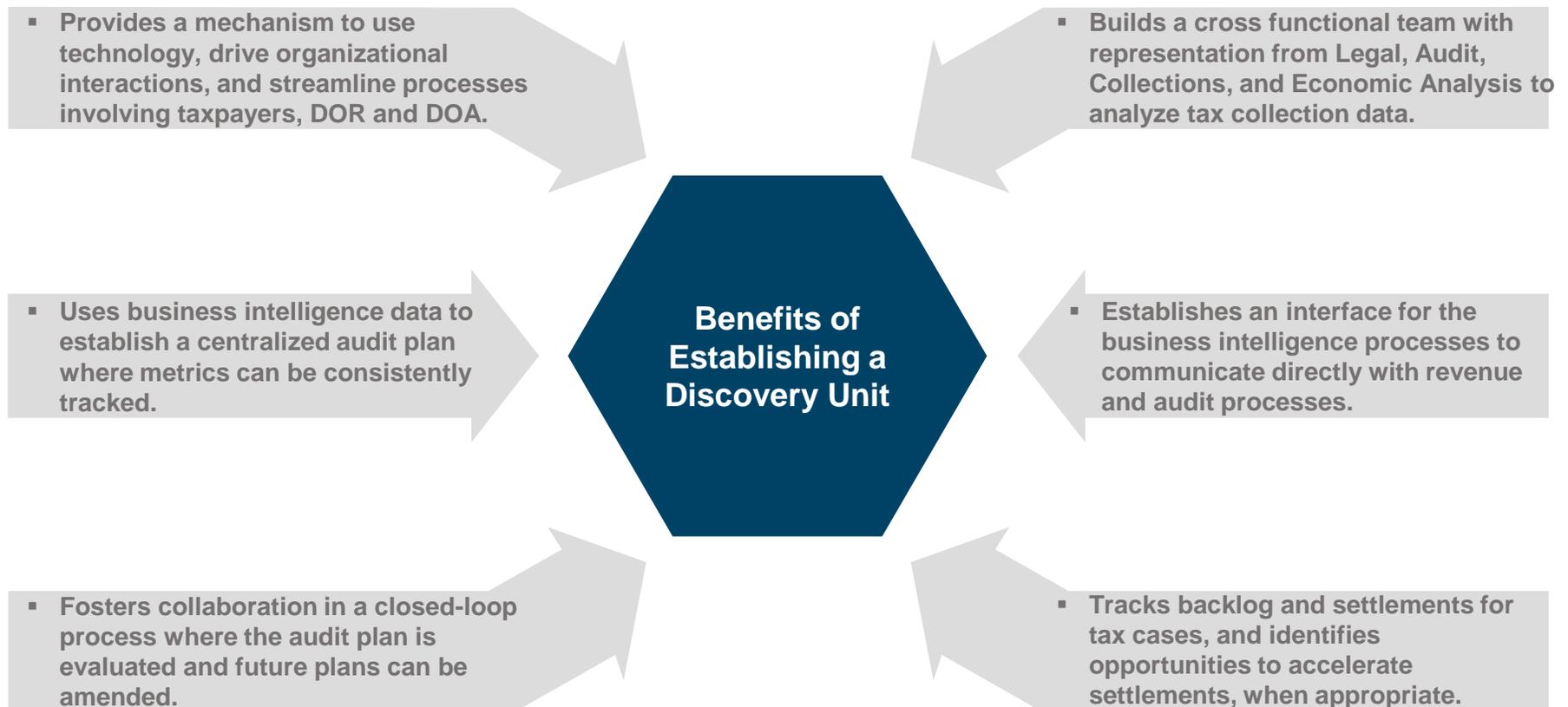
Combined Sales Tax Rates, 2015

State	State Sales Tax	Average Local Sales Tax	Combined	Ranking
Wyoming	4.00%	1.46%	5.46%	43
Montana	None	None	None	47
North Dakota	5.00%	1.80%	6.80%	26
South Dakota	4.50%	1.90%	6.40%	31
Idaho	6.00%	0.03%	6.03%	37
New Mexico	5.13%	2.54%	7.66%	15
Utah	5.95%	0.82%	6.77%	29
Colorado	2.90%	4.62%	7.52%	16

Source: Tax Foundation, [State and Local Sales Tax Rates 2018](#), February 2018. Ranking of combined state and average local sales tax rates by state.

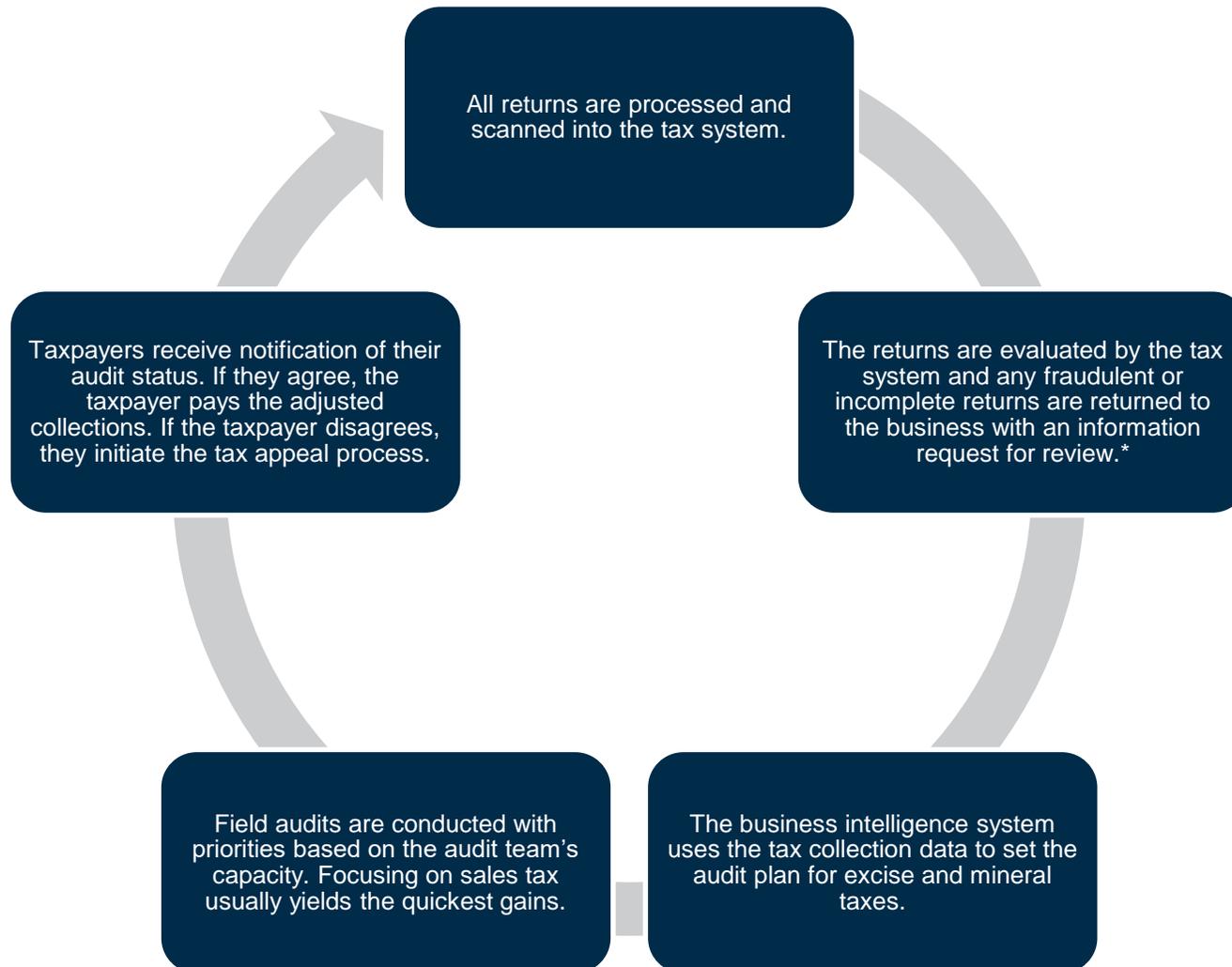
Benefits of Establishing a Discovery Unit

The Discovery Unit is recommended to enhance coordination between the Department of Revenue (DOR) and the Department of Audit (DOA). By engaging a tax system with built in capacity for business intelligence and data analytics, as well as the required audit functions, the Discovery Unit will help to streamline communication between the agencies and increase the effectiveness of the audit process.



Discovery Unit Tax Return Processing

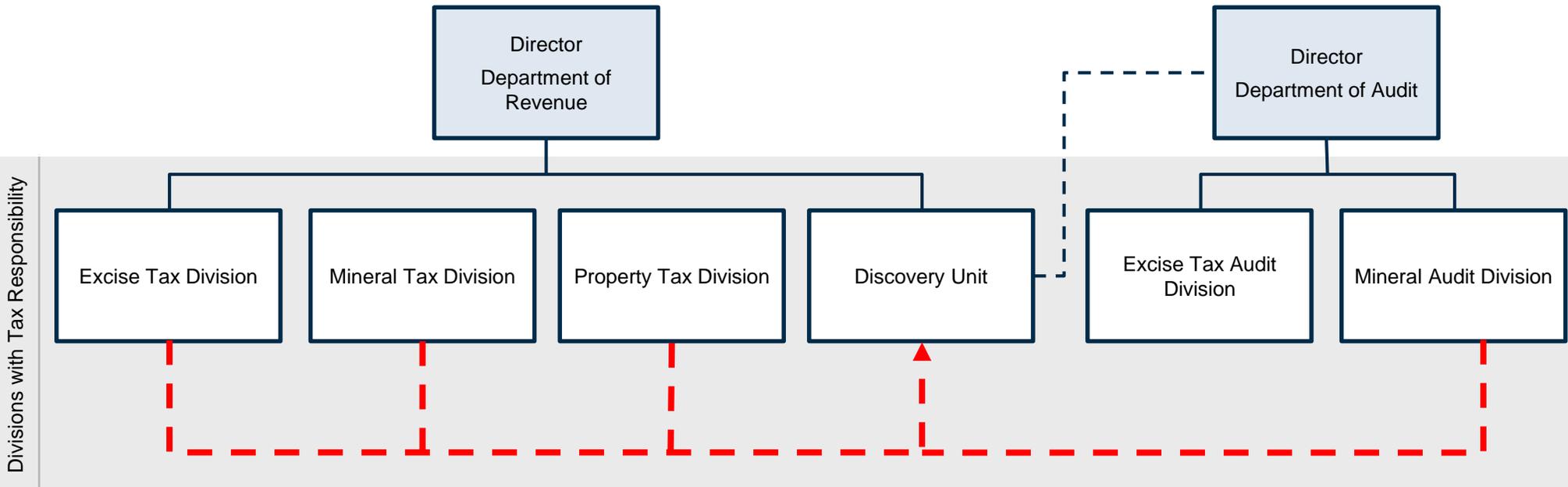
Having a tax system that helps to facilitate the Discovery Unit communication also allows the components of the tax collection process to be housed within a single platform.



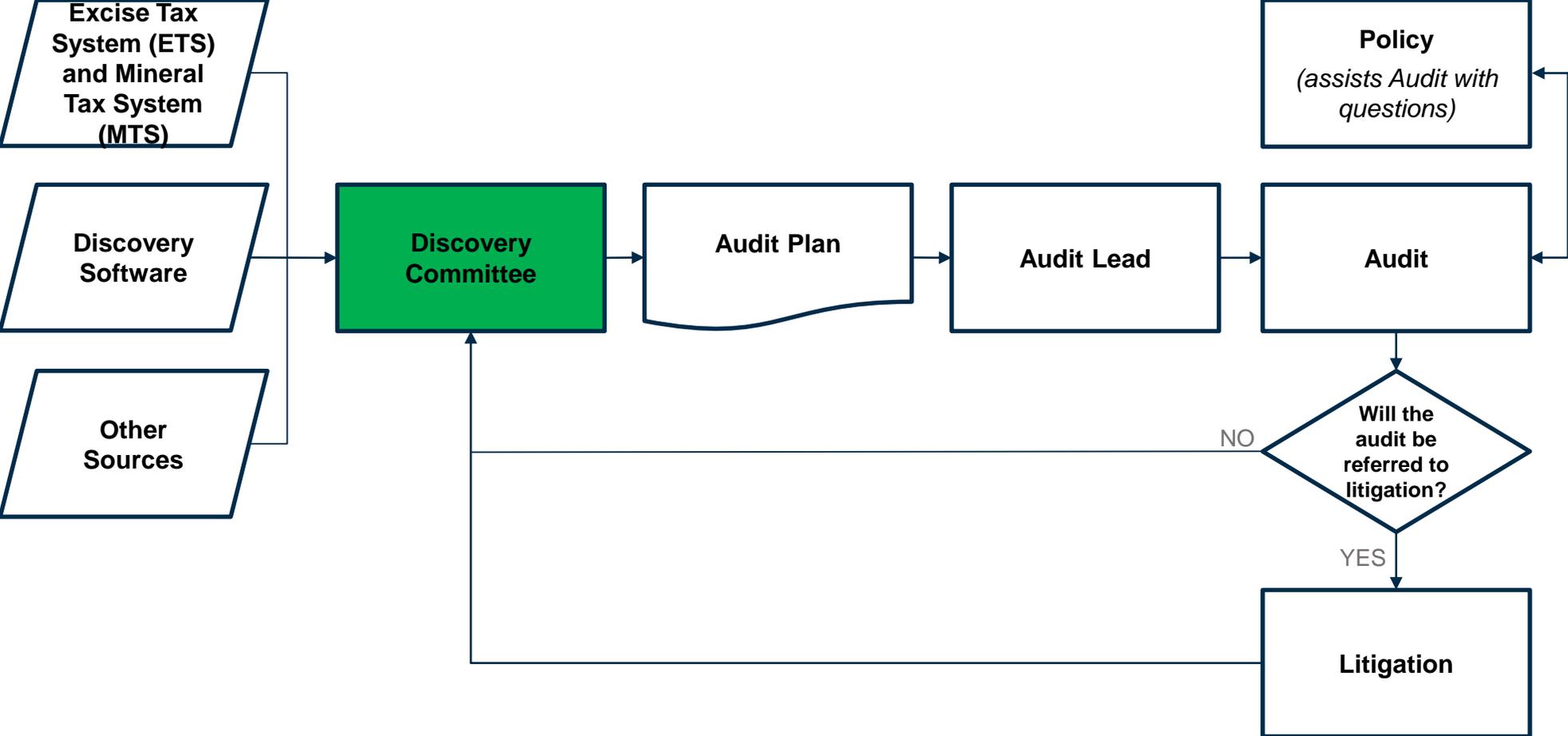
NOTE: Exceptions to this process include office and field audits and in-person interactions with collections staff.

Discovery Unit Organizational Structure

The Discovery Unit would sit within the Department of Revenue, with a dotted line report to the Director of the Department of Audit. The divisions from both departments with tax revenue responsibility would share information with the Discovery Unit through an integrated tax platform.



Discovery Unit Process Flow Diagram



Department of Revenue - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> • The Wyoming Department of Revenue (DOR) manages the collection of revenues owed to the state. • These functions are carried out through four divisions – Excise Tax, Mineral Tax, Property Tax, and Administrative Services. As a non-income tax state, Wyoming’s major revenue sources are mineral and excise taxes. 	<ul style="list-style-type: none"> • Evaluate opportunities to improve coordination with the Department of Audit (DOA) on revenue audits by creating a Discovery Unit. Long-term, if the Discovery Unit is ineffective, the state should consider the efficiencies that would be gained from shifting revenue auditing to DOR.
Coordination with Department of Audit	<ul style="list-style-type: none"> • DOR provides information to the DOA on tax collections to support the revenue audit process. • DOR and DOA have recently instituted use of PowerBI as an identification tool to make the audit process more efficient. PowerBI supports analysis of tax collection data to improve identification of anomalies. • DOA uses information on tax collection outliers generated from PowerBI to identify potential audit candidates. 	<ul style="list-style-type: none"> • Identify additional ways to engage the PowerBI tool to enhance coordination between DOR and DOA. • Co-lead the Discovery Unit with leadership from the Department of Audit. The Discovery Unit would receive input from associated State agencies, including the State Treasury, to determine the audit plan and provide for a closed-loop process.
Excise Taxes	<ul style="list-style-type: none"> • Given the Supreme Court decision in the Online Internet and Remote Sales Tax case, Wyoming is now entitled to sales taxes from vendors without a physical presence in the state. • The state currently audits the Certified Service Provider of internet sales, rather than the vendor. Through this process, the state pays the service provider a fee to collect sales taxes on its behalf from each vendor transaction, which substantially increases audit coverage. • In February, the state will begin collection on all remote sales that exceed a certain threshold. 	<ul style="list-style-type: none"> • Continue to focus remote sales tax collections and auditing at the service provider level to streamline the process to collect and monitor sales taxes.

Department of Revenue - Observations & Recommendations

	Observations	Recommendations
Mineral & Severance Taxes	<ul style="list-style-type: none"> • The Mineral & Severance Tax Division received an additional collection agent in the 2019-2020 budget process. • DOR is evaluating the appropriate metrics to determine the impact of the additional personnel. • Mineral tax collections increased on a dollar-value basis, largely driven by the rise in the price of oil. • There is a financial relationship between the Mineral & Severance Division and WYDOT. A certain amount of mineral tax funding is paid by WYDOT. Since DOR collects mineral taxes that are used on the roads, there are costs that are shared for this process. 	<ul style="list-style-type: none"> • Research best practices to provide a recommendation on what metrics they should use to monitor the performance of additional collections staff. DOR should continue to track collections per collection staff for excise and mineral severance taxes.
Property Taxes	<ul style="list-style-type: none"> • Property taxes are collected at the county level. DOR funds the systems and resources that county assessors use to assess and collect property taxes. • The Property Tax Division requested funding to use oblique imagery technology to drive efficiency in the county property tax assessments. • Oblique imaging entails having a plane fly over the State to take images that can be used to measure the size of buildings and detect any changes to property. This would reduce the number of onsite assessments county assessors would need to complete. 	<ul style="list-style-type: none"> • Continue to pursue legislative funding for the aerial imagery technology. Identify ways the technology could benefit other agencies within the State to increase the return on investment and build additional support for the business case.

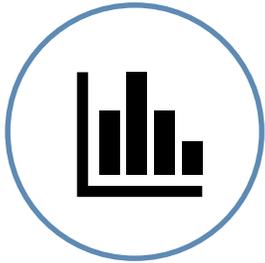
Department of Revenue - Observations & Recommendations

	Observations	Recommendations
Compliance through Education	<ul style="list-style-type: none"> • DOR conducts excise tax compliance training with vendors. In many cases, DOR hand delivers licenses to provide additional educational services to vendors on tax requirement topics. • DOR worked on a mineral tax task force with representatives from the oil and gas industry to find a way to simplify property taxation for minerals. However, this new mechanism would have resulted in higher costs to the companies, so DOR likely will not proceed with this initiative. 	<ul style="list-style-type: none"> • Continue engaging with the vendor and mineral & severance community to provide education on sound tax planning and payment practices. • Maintain outreach efforts to disseminate information on any changes to the tax statutes. • Engage the recommended centralized collection function to use all available mechanisms to support recovery of unpaid taxes.
Liquor Division	<ul style="list-style-type: none"> • The Liquor Division is charged with the dual mission of being the exclusive wholesaler of alcoholic beverages in the State and monitoring alcohol control laws. • With the repeal of Prohibition in 1933, the federal government left the regulation of alcohol to the States. Wyoming created a tiered structure for the sale of alcohol to separate the manufacturer from the retailer. • The Division is the exclusive authority to license malt beverage wholesalers and industry representatives. The Division is also charged with certifying that applicants for liquor licenses meet statutory requirements on behalf of the local licensing authorities. 	<ul style="list-style-type: none"> • Conduct a cost-benefit analysis to determine whether the Liquor Division should maintain the wholesale function, or shift focus entirely to monitoring alcohol control laws and other regulations impacting the sale of liquor in Wyoming.

Department of Audit - Overview

DOA

The Department of Audit (DOA) is responsible for auditing State agencies and local governments, as well as the regulation of financial institutions in the State. DOA is also responsible for conducting audits for the collection of federal and state mineral royalties, state mineral and excise taxes.



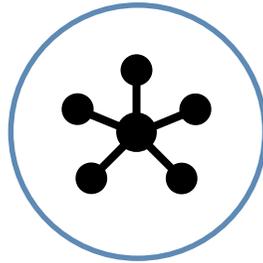
Budget

\$23,573,586



Offices

1



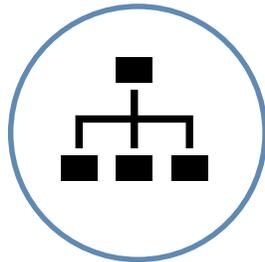
Divisions

5



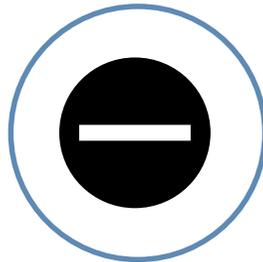
FTEs

105



Span of Control

6.2



Vacancies

6

Associated Boards & Commissions

Licensing

Collection Agency Board

Regulatory

State Banking

State Audit Organizational Structures

Peer states utilize a variety of organizational structures to perform audit functions (financial, performance, etc.).

State Audit Organizational Structures		
State	Related State Organizations	Major Function of Organization
Wyoming	Department of Audit	<ul style="list-style-type: none"> Revenue audits Regulation of financial services institutions Performance audits of State agencies
	Department of Revenue	<ul style="list-style-type: none"> Collection of mineral and excise taxes, property valuation, liquor distribution
	State Auditor's Office	<ul style="list-style-type: none"> CAFR development, financial systems management
Colorado	Office of State Auditor	<ul style="list-style-type: none"> Performance, financial and IT audits of agencies
	Statewide Internal Audit, Office of State Controller	<ul style="list-style-type: none"> Recovery audits, internal controls support, financial system management
	Department of Revenue	<ul style="list-style-type: none"> Audit of taxes
Idaho	Legislative Audits Division	<ul style="list-style-type: none"> Audit of CAFR, single audit for federal funds, performance audit of State agencies
	Idaho State Tax Commission, Audit Division	<ul style="list-style-type: none"> Audit of taxes
	State Controller	<ul style="list-style-type: none"> CAFR development, financial systems management
Montana	Office of the Montana State Auditor	<ul style="list-style-type: none"> Securities and insurance industry regulation
	Department of Revenue	<ul style="list-style-type: none"> Audit of taxes
	State Accounting Bureau (Dept. of Admin)	<ul style="list-style-type: none"> Internal controls, financial audits of agencies

State Audit Organizational Structures (Continued)

Peer States utilize a variety of organizational structures to perform audit functions (financial, performance, etc.).

State Audit Organizational Structures		
State	Related State Organizations	Major Function of Organization
New Mexico	Office of the State Auditor	<ul style="list-style-type: none"> Financial audits of agencies Performance audits
	Financial Control Division, Dept. of Finance & Administration	<ul style="list-style-type: none"> CAFR development
	Dept. of Taxation and Revenue	<ul style="list-style-type: none"> Audits of gross receipts and state taxes Audits of underreported income
North Dakota	State Auditor Office	<ul style="list-style-type: none"> Financial and performance audits of State agencies and local governments
	Office of State Tax Commissioner	<ul style="list-style-type: none"> Tax revenue collection Tax audits
South Dakota	Department of Legislative Audit	<ul style="list-style-type: none"> Financial and compliance audits Internal controls consulting
	Bureau of Finance and Management	<ul style="list-style-type: none"> Financial systems and operations
	Office of the State Auditor	<ul style="list-style-type: none"> Audit of agency budgets and spending Administer state payroll
Utah	State Auditor	<ul style="list-style-type: none"> Performance audits Financial audits
	Division of Finance	<ul style="list-style-type: none"> State payroll Financial reporting

Department of Audit - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> • DOA also conducts revenue audits for federal and state mineral royalties, state mineral and excise taxes, and for coordinating auditing and other revenue matters. • DOA is responsible for auditing public agencies and local governments, as well as regulation of financial institutions. 	<ul style="list-style-type: none"> • Evaluate opportunities to improve coordination with the Department of Revenue (DOR) on revenue audits. • Explore opportunities to expand the performance auditing function of DOA, potentially through establishing an Inspector General (IG) function.
Performance Audit Functions	<ul style="list-style-type: none"> • Routine performance audits are legislatively mandated, but the number conducted has been reduced due to budgetary constraints. DOA historically conducted performance audits by evaluating agencies based on self-reported metrics. • Given budget constraints, DOA selects agencies to audit based on their risk assessment. • DOA provides annual reports the Joint Education Committee (JEC) on education funding, challenges, and overall performance. This information is used by WDE when it promulgates or changes rules. • Each December, DOA produces the Cost of Government Report, which requires significant coordination with County Clerks and other local administrators to compile the revenue and expenditure data required. 	<ul style="list-style-type: none"> • Establish regular timing for performance audits for key agencies. Identify any associated funding or personnel needs that would be required based on the agencies that would be evaluated and the timing is determined. • Evaluate opportunities to partner with WDE to increase ability to seamlessly share information on key metrics related to education outcomes. • Continue to train local government finance staff on prudent reporting practices to ensure that financial data from various systems can be effectively integrated for the Cost of Government Report.
Agency-Specific Audit Functions	<ul style="list-style-type: none"> • Internal program integrity functions exist within some state agencies. DOA has limited interaction with agency program integrity units. 	<ul style="list-style-type: none"> • Develop mechanism to share agency-driven performance audit results with DOA. DOA should review trends in any metrics that are recorded at the agency-level as part of the performance audit function.

Department of Audit - Observations & Recommendations

	Observations	Recommendations
Interaction with the Department of Revenue	<ul style="list-style-type: none"> DOA was separated from the Department of Revenue (DOR) in 1989 as a result of the Ferrari Study. Presently, the two agencies share data through PowerBI to identify potential revenue audit candidates. The systems of DOA and DOR allow for data sharing related to historical tax collections and audit results. This occurs within both the Mineral and Excise Tax Divisions. 	<ul style="list-style-type: none"> Evaluate opportunities to improve coordination with the Department of Revenue (DOR) on revenue audits by creating a Discovery Unit. Long-term, if the Discovery Unit is ineffective, the State should consider the efficiencies that would be gained from shifting revenue auditing to DOR.
Remote Excise Taxes	<ul style="list-style-type: none"> DOA expects the results of the Online Internet and Remote Sales case, allowing states to enforce excise tax collections for out-of-state vendors, to have significant impact on excise tax revenue audits. 	<ul style="list-style-type: none"> Collaborate with DOR through the Discovery Unit to monitor changes in tax collections from internet remote sales vendors and their service providers to determine if there are any trends that would require DOA to change the approach to remote sales excise tax auditing.
Banking Audit Function	<ul style="list-style-type: none"> The Division of Banking is responsible for the chartering and regulatory oversight of Wyoming State Banks, Trust Companies, Mortgage Companies, and non-bank financial companies. The goal is to maintain a financial regulatory system for Wyoming that promotes a progressive banking environment, ensures fair and lawful consumer related financial transactions, provides the public with convenient, safe and competitive banking and allows for economic development within this State. 	<ul style="list-style-type: none"> Maintain the Division of Banking function within DOA to ensure effective oversight of financial institutions doing business in the State.

State Construction Department - Overview

SCD

The State Construction Department (SCD) was created to provide services in the planning, design, construction and preservation of state facilities, community colleges, and K-12 educational facilities throughout Wyoming. The SCD is split into three divisions including: the School Facilities Division, the Construction Management Division, and the Operations Division.



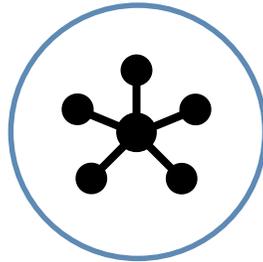
Budget

\$389,330,618



Offices

2



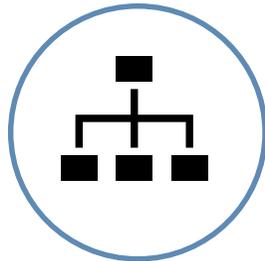
Divisions

3



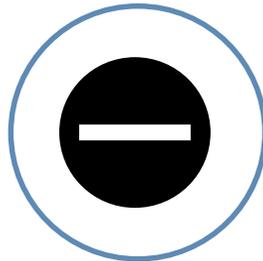
FTEs

27



Span of Control

2.82



Vacancies

2

Associated Boards & Commissions

Regulatory

School Facilities Commission
State Building Commission
Community College Commission

State Construction Organizational Structure Comparison

Wyoming is unique among its peer group in having a State Construction Department outside of the State's Administrative Agency.

Construction Function Comparison Across Peer States

State	Is there a stand-alone State Construction Department?	If "No", under what structure is function organized?	Details on Structure	Is agency responsible for Schools?	Additional Notes
Wyoming	Yes	-		Yes, via School Facilities Division	
Colorado	No	Department of Personnel & Administration	Office of the State Architect Capitol Complex Facilities Management	No	There is an Office of Capital Construction within the DOE.
Idaho	No	Department of Administration	Division of Public Works	Yes	
Montana	No	Department of Administration	The Architecture and Engineering Division	Yes	
New Mexico	No	Department of General Services	Facilities Management Division	Yes	Capital Outlay Bureau in DOE support Capital Project process. Facilities Management Division does the actual construction.
North Dakota	No	Department of Management and Budget	Facility Management Division	Yes	
South Dakota	No	Bureau of Administration	State Engineer	Yes	
Utah	No	Department of Administrative Services	Division of Facilities Construction & Management	Yes	

State Construction Dept. - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> The State Construction Department (SCD) manages large construction and major renovation projects for the State. The Wyoming Department of Transportation (WYDOT), Game and Fish, and the University of Wyoming maintain their own construction functions. Within SCD, the School Facilities Division (SFD) provides construction and renovation support for Wyoming school district buildings. The Construction Management Division oversees the construction, renovation and major maintenance of state-owned buildings and community colleges. The Division also reviews and evaluates the acquisition and sale of property for state agencies. The Operations Division, which was created last legislative session, provides support operations to both divisions. 	<ul style="list-style-type: none"> Improve coordination between SCD and other agencies with facilities management responsibilities.
Routine & Preventive Maintenance	<ul style="list-style-type: none"> SCD manages the major maintenance budget for state agencies. Major maintenance costs can only be paid from designated funding. SCD keeps a percentage of funding as a contingency for emergencies. Given funding and resource capacity issues, many agencies do not complete routine maintenance within the recommended schedule. Missed routine maintenance often results in more extensive projects at a greater cost. SCD works with agencies to conduct assessments to inform project prioritization. The Facility Condition Index (FCI) also supports prioritization by scoring the physical condition of state properties. 	<ul style="list-style-type: none"> Continue to use the Facility Condition Index (FCI) scores to prioritize funding for the States major renovation and construction projects. Prioritize maintenance projects to find those that are most likely to result in increased renovation costs in the near future.

State Construction Dept. - Observations & Recommendations

	Observations	Recommendations
Asset Management Software, AiM	<ul style="list-style-type: none"> The State uses the AiM system for construction and maintenance management. AiM is a paperless system with all contract plans and records and has the ability to give real time updates on projects. SCD is working to get all projects, facilities, and State inventory into the AiM database. A&I, UW, and DOC are currently using the AiM system, however, each Department including the SCD is using its own AiM system. WYDOT is in the process of sourcing their own asset management software. The State is the process of deploying modules within the AiM system to make construction and facilities management more efficient, including leases, fixed assets and energy management. 	<ul style="list-style-type: none"> Continue to provide training to all agencies with facilities management responsibilities to ensure that all facilities are recorded in AiM and facilities maintenance is actively managed through the system. Evaluate the business case to engage additional modules to streamline asset management for the entire state within the AiM platform. Conduct a review of all state-owned and leased facilities to develop an accurate inventory of state facilities. Demonstrate impact of a fully operational construction and maintenance management system by providing the technical expertise and program management skill set necessary to support the DOC in a full roll-out of the program. Evaluate the business case to consolidate all AiM contracts into a single, State facility platform.
Department-level Construction Management	<ul style="list-style-type: none"> Agencies have varying levels of responsibility for managing routine maintenance on their facilities. However, given variations in construction management and facilities maintenance expertise, SCD also occasionally supports agencies in renovation projects that are internally managed. Preventive maintenance consideration during the construction design phase is limited. 	<ul style="list-style-type: none"> Continue to support agencies in complying with their preventative and routine maintenance requirements, as required. Partner with the A&I General Services Division or the agency division responsible for regular maintenance, to ensure maintenance needs are considered when selecting materials and equipment for new construction or major renovation.

Department of Corrections - Overview

DOC

The Wyoming Department of Corrections (DOC) contributes to public safety by exercising reasonable, safe, secure and humane management of inmates, while actively providing offenders opportunities to become law-abiding citizens.



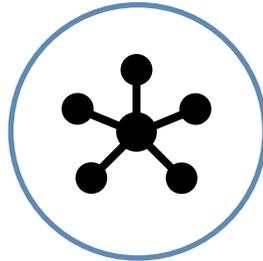
Budget

\$276,690,729



Offices

25



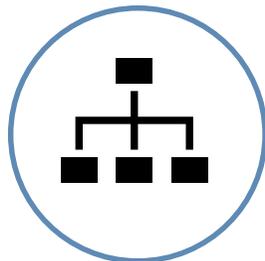
Divisions

3



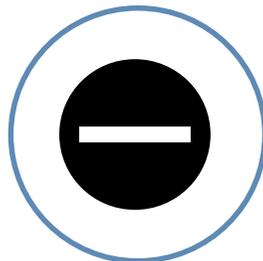
FTEs

1020



Span of Control

5.8



Vacancies

214

Associated Boards & Commissions

Advisory

Correctional Industries Advisory Board

Associated

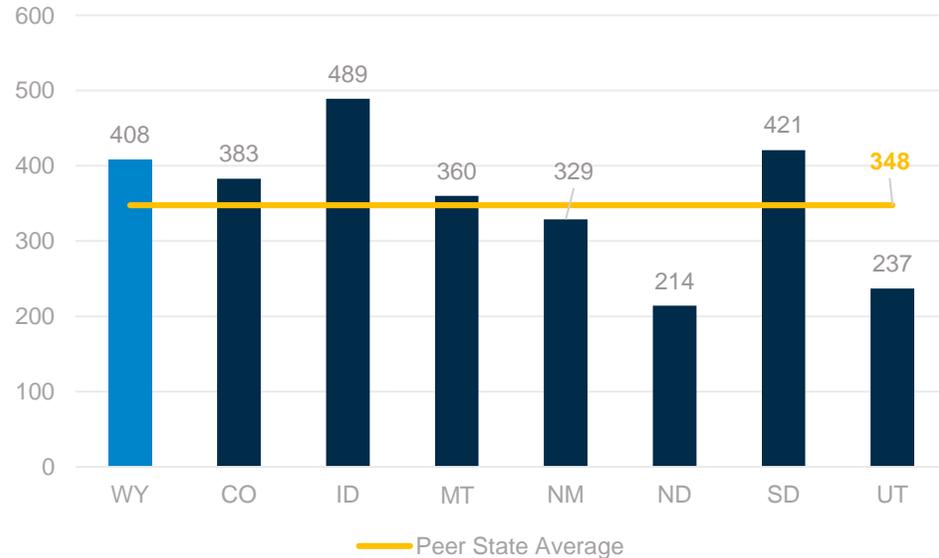
Correctional Industries Advisory Board
Goodwill Advisory Boards
Community Partnership Boards
Adult Community Correction Board
Correctional industries Advisory Board
Opioid Addiction Task Force

Incarceration Rates for Adults & Juveniles

Wyoming's adult incarceration rates and juvenile custody rates are higher than those of its peer states.

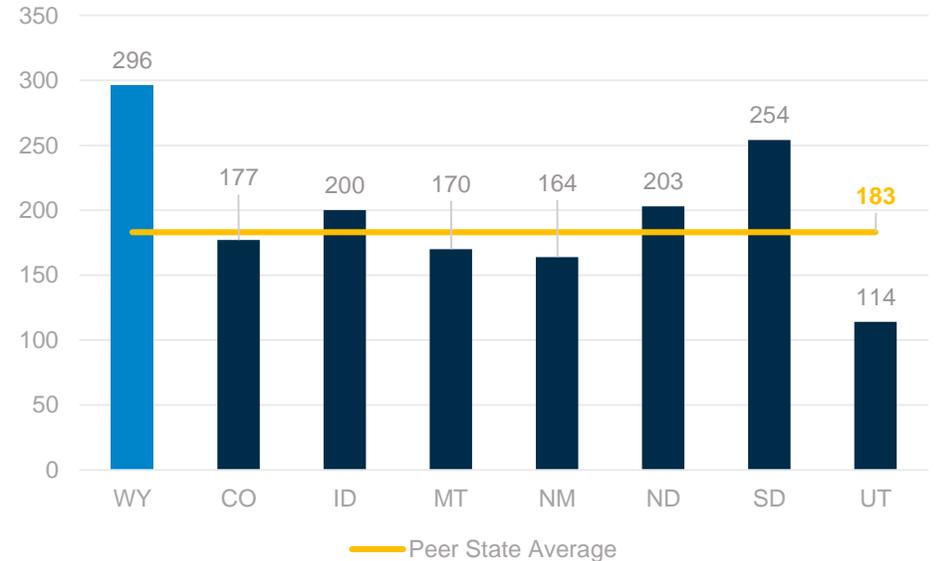
States Adult Incarceration Rate per 100,000 residents

Wyoming's Incarceration Rate per 100,000 residents is slightly higher than the average incarceration rate of its peer states.



States Juvenile Custody Rate per 100,000 juveniles

Wyoming's Juvenile Custody rate per 100,000 is significantly higher than the average rate of its peer states.

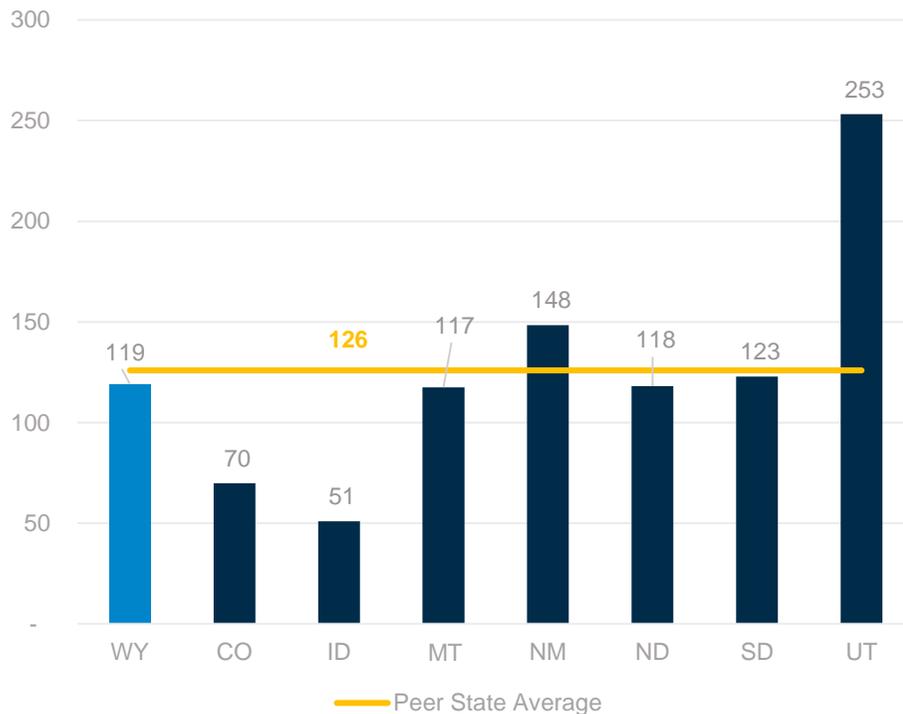


Source: The Sentencing Project, State by State Data, <https://www.sentencingproject.org>, 2016

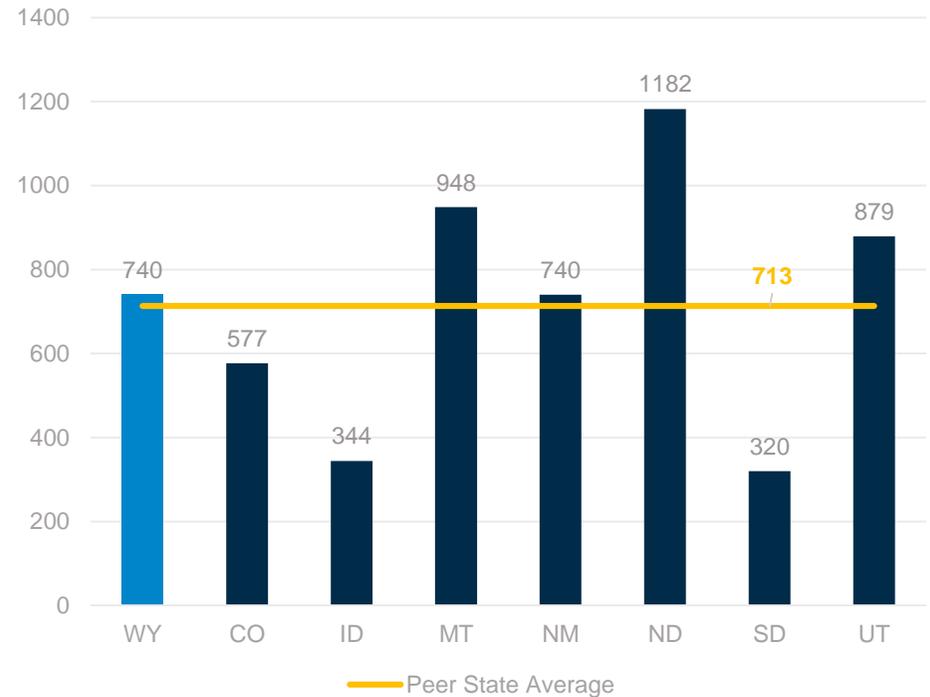
Probation and Parole Rates

Wyoming's ratios of citizens on probation and parole to the state populations are average compared to those of peer states.

Ratio of Total State Populations to Total State Probation Population



Ratio of Total State Populations to Total State Parole Population

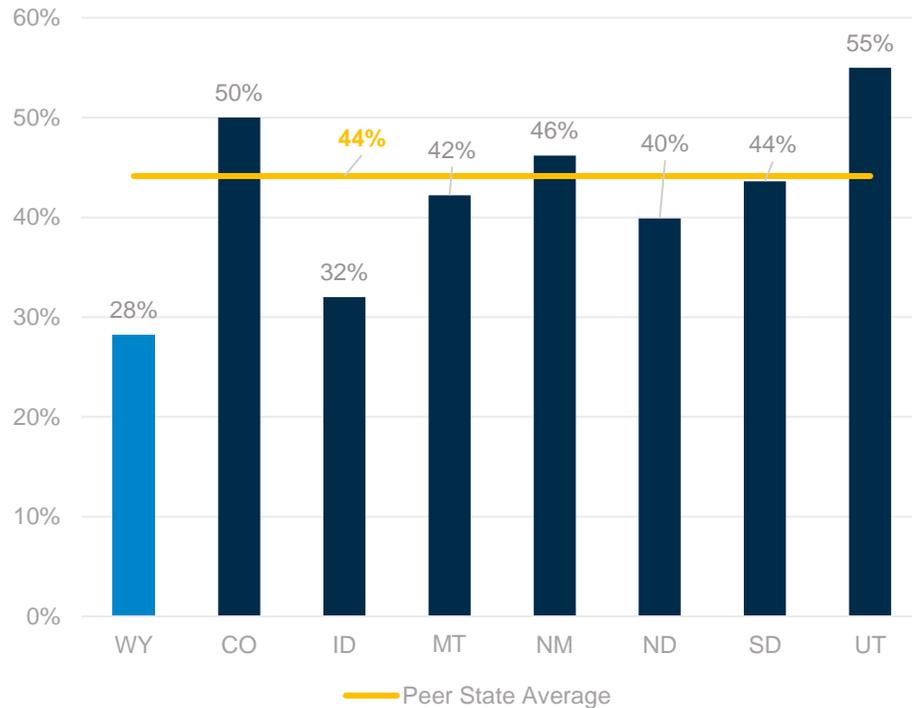


Source: The Sentencing Project, State by State Data, <https://www.sentencingproject.org>, 2016

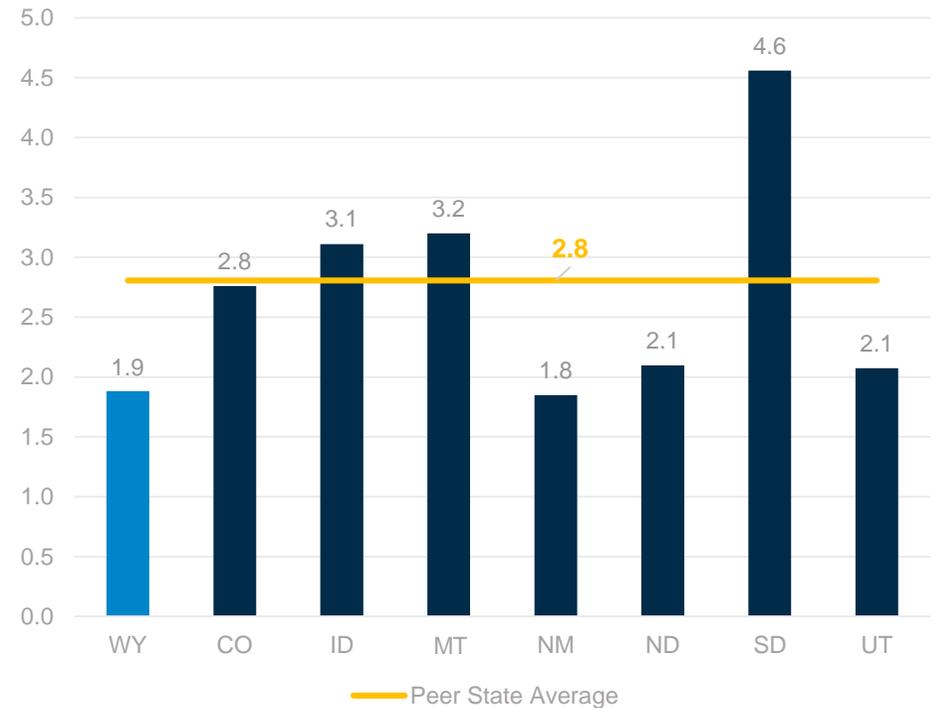
Recidivism Rates and Correctional Officer Frequency Rates

Wyoming maintains the lowest three-year recidivism rate of its peer states. Despite a growing inmate population, Wyoming maintains one of the lowest inmate to corrections officer ratios in the region.

Three-Year Re-Incarceration Rates



Ratio of Number of State Inmates to Total State Corrections Employees

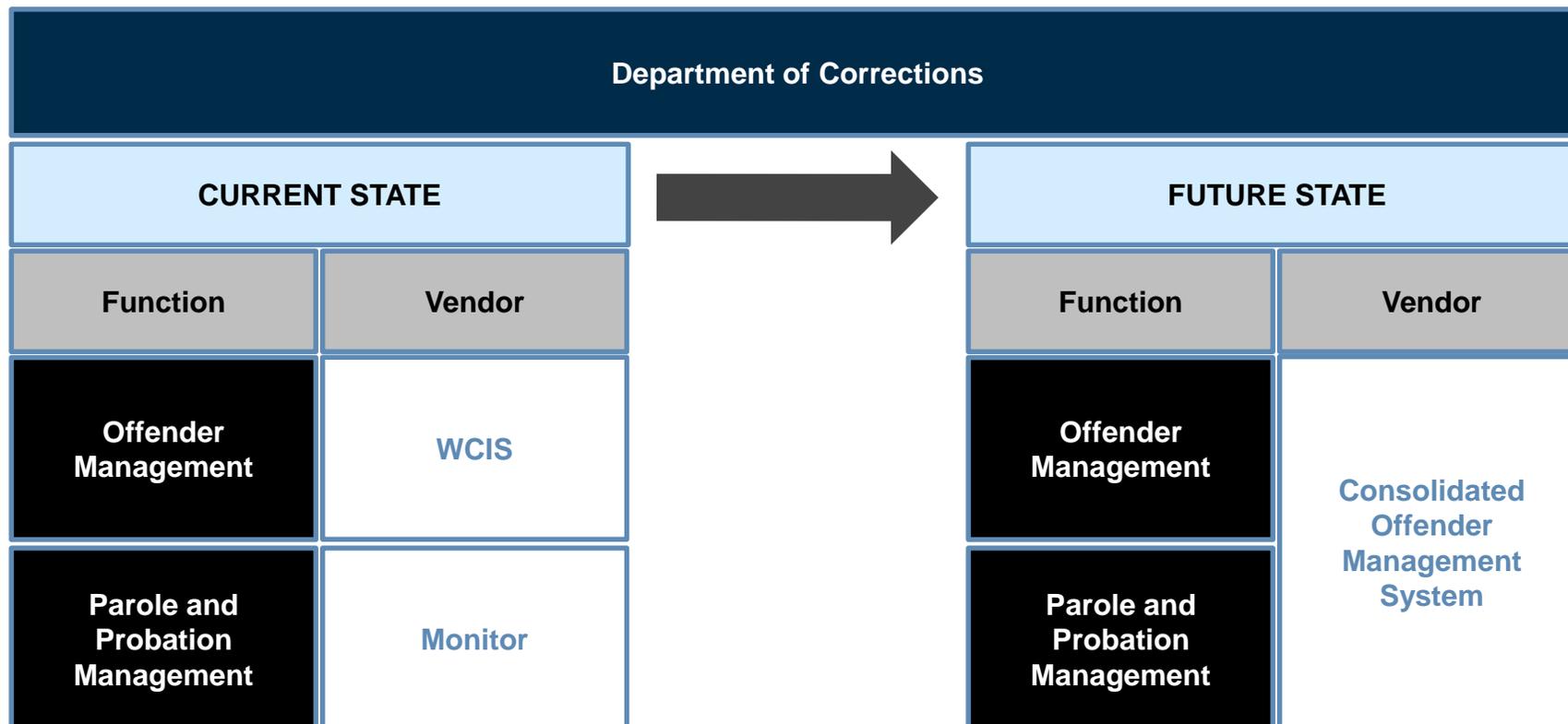


Source: State Recidivism Comparison – Statistical Analysis & Forecast Unit, www.vadoc.virginia.gov, November 2017

Source: Bureau of Justice Statistics (BJS), Justice Expenditure And Employment Extracts, 2015 – Preliminary, <https://www.bjs.gov>

Inmate Management System

The Department of Corrections (DOC) utilizes the Wyoming Criminal Information System (WCIS) for inmate management and the Monitor system for parole and probation management services. WCIS is outdated, expensive for DOC to maintain, and will become technologically obsolete at the end of this year. When DOC procures a new inmate management system, it should be a requirement that this system seamlessly integrates with the Monitor probation and parole management system.



Department of Corrections - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> Wyoming Department of Corrections (DOC) operates five adult prisons (four male facilities and one female facility). DOC also contracts with three adult community corrections centers. WDOC is responsible for the statewide supervision of adult probation and parole offenders with 25 field offices, one in every county across the State. 	<ul style="list-style-type: none"> Continue to partner with other agencies to provide effective correctional services and field support after an inmate is released. Engage options to continue cooperative purchasing strategies, when appropriate, for all canteen, medical supplies, and food for inmates among the five State facilities.
Maintenance & Facilities Management	<ul style="list-style-type: none"> A lack of sufficient immediate funding for long-term routine facility management procedures and access to specialized maintenance personnel have sometimes led to systemic issues within Wyoming's correctional facilities. Lack of specialized maintenance or delayed funding drives a variety of additional expenses (new boilers, large-scale renovations, housing inmates in other states, county jails, etc.). DOC has recently partnered with the State Construction Department (SCD) to integrate its assets with the AiMs system. The Wyoming State Penitentiary is undergoing renovation projects to address structural, drainage and grading, and electrical issues. Implementing long-term routine maintenance schedules has been hindered by a lack of specialized trade-workers. In the past, DOC has consolidated positions in an attempt to increase wages to attract top talent. Those individuals with specialized skill sets are often required to travel long distances between facilities to administer maintenance. DOC maintenance projects sometimes rely on external contractors, further raising maintenance costs. 	<ul style="list-style-type: none"> Ensure that routine maintenance needs at facilities are addressed within the recommended timeframe. To the extent that current staff do not have the required experience, DOC should partner with SCD to get the appropriate tradespeople to complete the work. Improve engagement with the AiM system by partnering with SCD & AiM staff to train staff in using the technology to drive more effective facilities management. Ensure that a dedicated facility manager is responsible for AiM implementation at each DOC facility. Continue to engage inmates in facilities maintenance activities, when appropriate, to control costs and provide job skills within the minimum security inmate population.

Department of Corrections - Observations & Recommendations

	Observations	Recommendations
Health Services for Inmates	<ul style="list-style-type: none"> • DOC provides health services to inmates while they are in custody through independent contractors and has worked to negotiate lower rates with providers. However rates for inmates continue to exceed Medicaid rates. • Since Wyoming did not expand Medicaid, only inmates who are pregnant, meet 154% of the federal poverty level requirements, and are hospitalized in excess of 24 hours are eligible while in custody. For elderly inmates to be eligible they had to be enrolled prior to incarceration and be in the hospital for over 30 days. • If citizens are on Medicaid at the beginning of their incarceration period, WDH removes them from the Medicaid rolls. Inmates then must reapply upon release. • The DOC Field Division partners with WDH to help former inmates get the appropriate mental health services. 	<ul style="list-style-type: none"> • Explore opportunities to partner with WDH to negotiate rates with shared providers to drive more favorable pricing for the Agency. • Coordinate medical services for inmates that are currently incarcerated and ensure they receive appropriate services after release.
Inmate Population Growth	<ul style="list-style-type: none"> • DOC projects that the Department will exceed 100% inmate capacity within the next three to five years. DOC is currently sending inmates to out-of-state and county facilities due to lack of capacity. • Staffing and facilities management issues, as well as the growing inmate population present a risk to DOC's ability to continue at the present service level. To mitigate this issue, the DOC has expanded a number of initiatives, which include split sentencing, contracting with three different work release centers, working within the judicial system to reform sentencing laws and providing services to current inmates to reduce recidivism. 	<ul style="list-style-type: none"> • Continue current efforts to reduce the growth in Wyoming's inmate population, and even decrease the population over time. • Conduct an occupational study of correctional officers and staff to ensure: <ul style="list-style-type: none"> ○ Roles are properly classified based on qualifications and responsibilities ○ Reporting layers provide the most efficient reporting structures across the DOC ○ Facilities maintain the necessary staff to provide its services to inmates in a safe, mission-driven manner

Department of Corrections - Observations & Recommendations

	Observations	Recommendations
Re-entry Services	<ul style="list-style-type: none"> • DOC continues to evolve its job training for inmates. As part of the reentry process, DOC partners with the Department of Workforce Services (DWS). DWS also helps with life skills training and holds resource fairs to educate inmates about the services that are available. • To prepare for release of inmates, DOC provides motivational Interviewing, assessments to provide tailored services to inmates while in prison and during transition into society, cognitive behavior interventions, and training to judges, prosecutors, and public defenders on risk needs assessments. 	<ul style="list-style-type: none"> • Continue to use evidence based practices to prepare inmates for re-entry into society. Explore opportunities to increase partnerships with other agencies to coordinate services. • Explore opportunities to further involve inmates in prison work assignments, industries, and vocational education opportunities to further address staffing shortfalls and costs for maintenance and operations, while providing job skills training opportunities.
Access to Historical Inmate Data	<ul style="list-style-type: none"> • Wyoming lacks a uniform platform to align health and education information with individuals inside the inmate population, making coordination of care difficult. 	<ul style="list-style-type: none"> • Coordinate with other agencies that are looking to achieve a uniform system to monitor citizens from early education and health care services, through college and other services provided into adulthood.
Streamlining Efforts	<ul style="list-style-type: none"> • DOC has pursued strategic and technological initiatives to further realize operational efficiencies with reduced funding. • These initiatives include eliminating two divisions to streamline communications and reduce activity silos, engaging in dual supervision to promote cooperation between the field operations team and prison facility teams, using Google Hangouts and cloud technology to streamline communications and information sharing, and reviewing job descriptions on a regular basis to eliminate extraneous job duties. 	<ul style="list-style-type: none"> • Continue to identify opportunities to drive efficiency for the agency while maintaining or improving service levels.

Department of Corrections - Observations & Recommendations

	Observations	Recommendations
Drug Treatment for Inmates	<ul style="list-style-type: none"> • DOC focuses on evidence-based interventions in rehabilitation of inmates. • Drug use has contributed to increases in the prison population. The increased number of probation and parole violations due to continued drug use while under supervision also negatively impacts the DOC's ability to provide effective drug treatment. • Funding for inmate drug treatment was reduced over previous budget cycles, which led to a rise in recidivism. During the 2019-2020 budget cycle this funding was mostly reinstated. 	<ul style="list-style-type: none"> • Continue to research and implement evidence-based treatments to inmates with drug addictions. Find ways to track the impact of rehabilitation programs on reducing recidivism.
Technology	<ul style="list-style-type: none"> • DOC relies on an antiquated data management system to coordinate its inmate population data. It uses WCIS as its offender management system and Monitor as its probation system. • The two systems are not integrated, however, Monitor has additional add-on modules capable of providing offender management services. • DOC has worked closely with ETS to implement human resources systems such as payroll, time-keeping, and performance management. However, there are still many instances of DOC staff members serving as systems experts across various platforms. 	<ul style="list-style-type: none"> • Evaluate the business case to create a single data management system by engaging additional offender management modules in the Monitor system. • Partner with the Department of Enterprise Technology Services (ETS) to identify ETS/DOC staff that can serve as subject matter experts and provide technology/systems support to other DOC staff.

Department of Workforce Services - Overview

DWS

The Department of Workforce Services (DWS) works to ensure safe and fair workplaces with qualified workers. DWS is split into three divisions: the Office of the Director, the Office of Workforce Programs and the Office of Standards and Compliance.



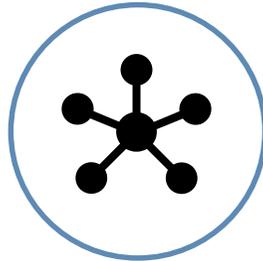
Budget

\$162,961,832



Offices

19



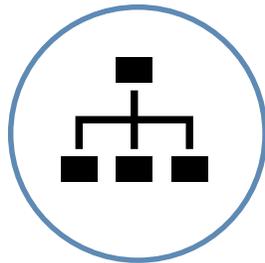
Divisions

3



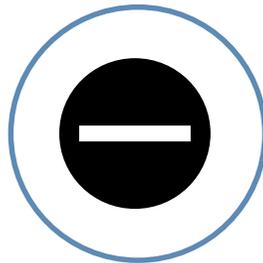
FTEs

527



Span of Control

6.56



Vacancies

27

Associated Boards & Commissions

Advisory

Economically Needed Diversity Options for WY
Educational Attainment Executive Council
Telecommunications Relay Advisory System
Workforce Development Council*

Regulatory

Unemployment Insurance Commission
Rehabilitation Council
Worker's Compensation Medical Commission
Independent Living Council
Serve Wyoming Council
Workforce Development Council*

NOTE: The Workforce Development Council serves in both an advisory and regulatory capacity.

Median Household Income & Gender Earning Gaps

Wyoming slightly trails its peer states in terms of median annual household income and its gender gap earnings ratio.

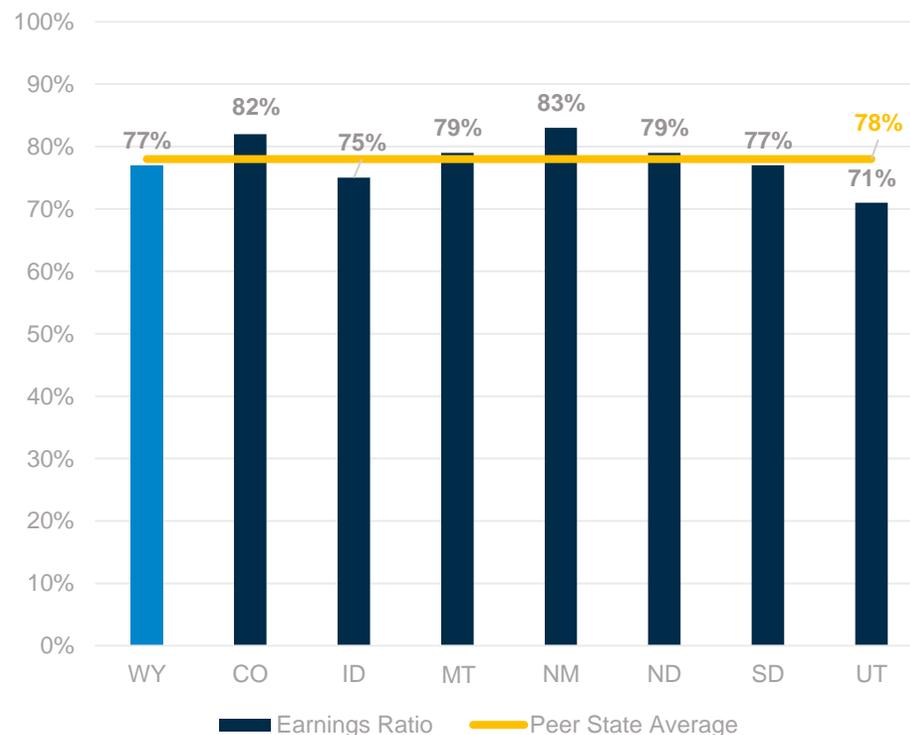
Median Annual Earnings by Household, 2016

Wyoming has a median annual household that is slightly lower than its peer states.

State	Median Annual Household Income (2016)
Wyoming	\$57,829
Peer State Average	\$59,450
Colorado	\$70,566
Idaho	\$56,564
Montana	\$57,075
New Mexico	\$48,451
North Dakota	\$60,184
South Dakota	\$57,450
Utah	\$67,481

Gender Gap Earnings Ratio by State

Wyoming's earning ratio is similar to those of its comparable states.



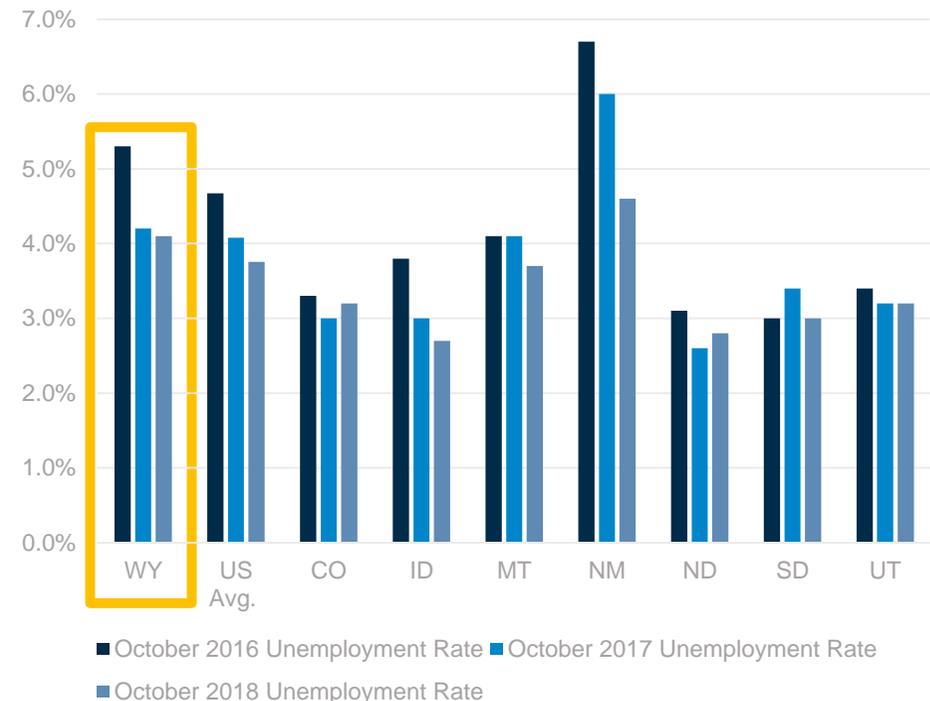
Benefit Accuracy Measures (BAM) & Unemployment Rates

Wyoming's Benefit Accuracy Measures indicate that Wyoming performs at or above average on unemployment insurance rates when compared with its peer states. As the economy has improved, Wyoming continues to see its unemployment rate decline, though it is still higher than most of its peer states.

Benefit Accuracy Measures

State	Overpayment Rate	Underpayment Rate	Fraud Rate
Wyoming	5.87%	0.44%	0.68%
US Average	11.68%	0.32%	2.93%
Colorado	10.91%	0.48%	0.89%
Idaho	12.51%	0.56%	4.27%
Montana	6.04%	0.01%	2.10%
New Mexico	5.97%	0.54%	3.17%
North Dakota	10.89%	0.18%	0.87%
South Dakota	7.71%	0.07%	2.17%
Utah	5.82%	0.14%	2.36%

Unemployed Percent of State Labor Force



Source: US Department of Labor, <https://workforcesecurity.doleta.gov/unemploy/>, 2016

Source: Bureau of Labor Statistics, Unemployed Statistics, State, www.bls.gov

Dept. of Workforce Services - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> The Department of Workforce Services (DWS) works to ensure fair and safe workplaces for all Wyoming citizens and was recently realigned into three divisions: Workforce Standards, Policy and Communications, and Workforce Programs. This realignment was aimed at improving the ability to meet the mission of the agency, while providing a more efficient internal structure to benefit both internal and external stakeholders. 	<ul style="list-style-type: none"> Use the existing organizational structure to drive internal collaboration and sharing of data across the department, where appropriate.
Workforce Standards Division	<ul style="list-style-type: none"> The Workforce Standards Division is responsible for the Workers Compensation Program as well as regulatory and compliance/enforcement. This includes Workers Compensation Claims and Employer Services, Workers Compensation Safety and Risk (WCSR) and Wyoming Occupation Safety and Health Administration (OSHA), Labor Standards, and Employment Tax. 	<ul style="list-style-type: none"> Continue to drive coordination and support State agencies and employers to ensure compliance with state and federal workers' compensation standards and regulations.
Occupational Safety	<ul style="list-style-type: none"> Within the Workforce Standards Division, there is an Occupational Safety Officer program that is largely funded by federal grants. Program staff are available to provide occupational safety support and training to all state agencies. They primarily partner with the Departments of Environmental Quality, Agriculture, Game and Fish, WYDOT/Highway Patrol, as well as private businesses across the State. The Legislature passed a bill that all school districts must be enrolled in safety discount programs. 	<ul style="list-style-type: none"> Provide State agencies and employers with occupational safety training and support. Partner with Wyoming OSHA to coordinate walkthroughs of departments where there are known occupational safety hazards.

Dept. of Workforce Services - Observations & Recommendations

	Observations	Recommendations
Unemployment Insurance	<ul style="list-style-type: none"> • DWS recently launched a new benefits and approvals portals for a new unemployment insurance (UI) systems that was funded by federal grants. The system is cloud-based, thereby providing DWS access to real time data. • Given the Social Security Administration's strict guidelines around who can access the system, DWS is working to create web interfaces that allow departments, including WDH and DFS, to only view the information that is relevant to their functions, without giving them access to the entire system. 	<ul style="list-style-type: none"> • Continue to partner with agencies to create web-based interfaces and adjust as necessary as the base system evolves. • Explore opportunities to consolidate all information sharing within a single platform.
US Treasury Offset Program	<ul style="list-style-type: none"> • DWS will go live with the tax portion of the unemployment system in May 2019. The Legislature passed the ability to engage in treasury offset to recoup funds owed to the State. This feature will be activated in the system when the tax portion goes live. 	<ul style="list-style-type: none"> • Explore opportunities to expand the US Department of Treasury Offset function in the tax module of the new UI system to also recover revenue owed to the State. • Consider coordination of Treasury Offset mechanisms with other agencies for both payments made to citizens, as well as licensing functions.

Department of Education - Overview

WDE

The mission of the Wyoming Department of Education (WDE) is to create opportunities for students to keep Wyoming strong by significantly increasing the percentage of Wyoming students that are college, career, and military ready by 2020.



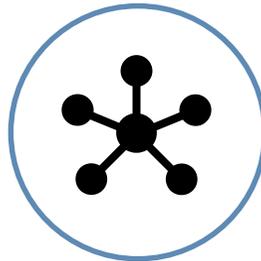
Budget

\$275,648,283



Offices

4



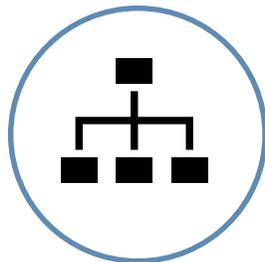
Divisions

7



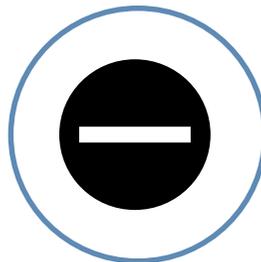
FTEs

107



Span of Control

4.3



Vacancies

16

Associated Boards & Commissions

Advisory

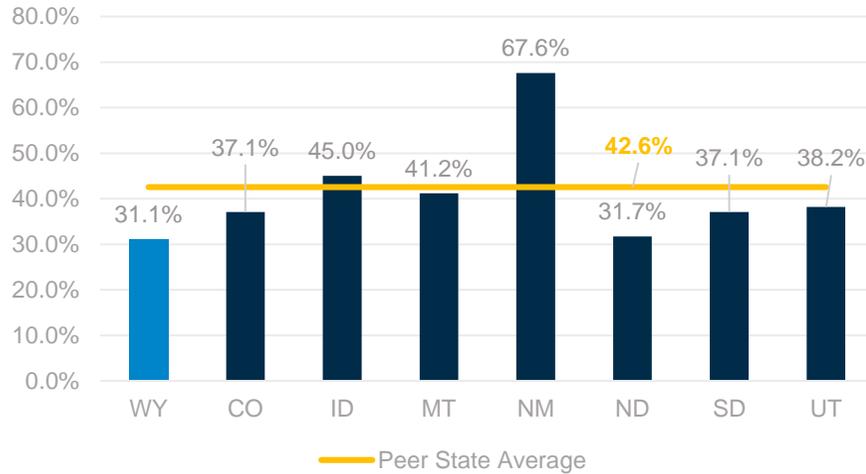
Early Childhood State Advisory Council
Education Accountability Advisory Panel
Professional Teaching Standards Board

Regulatory

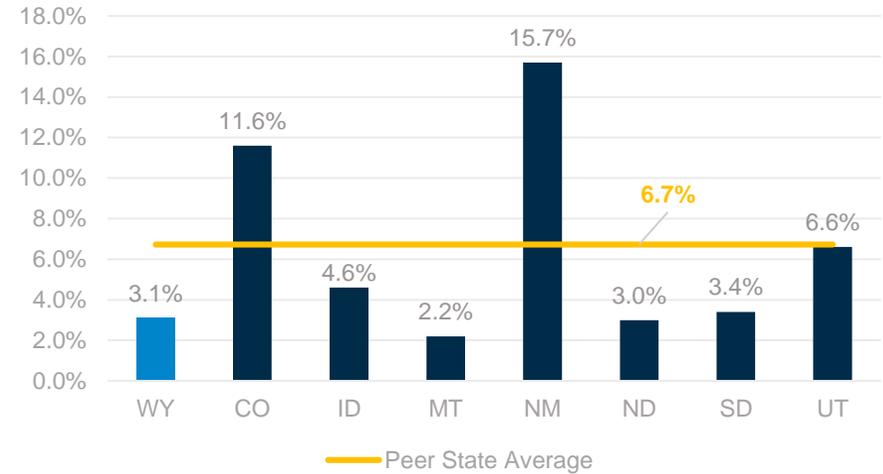
State Board of Education
School Facilities Commission
Wyoming Education Trust Fund Board
State Land and Investments Board
Capitol Renovation Commission
Children's Trust Fund Board
Community College Commission

State-Level, School District Characteristics

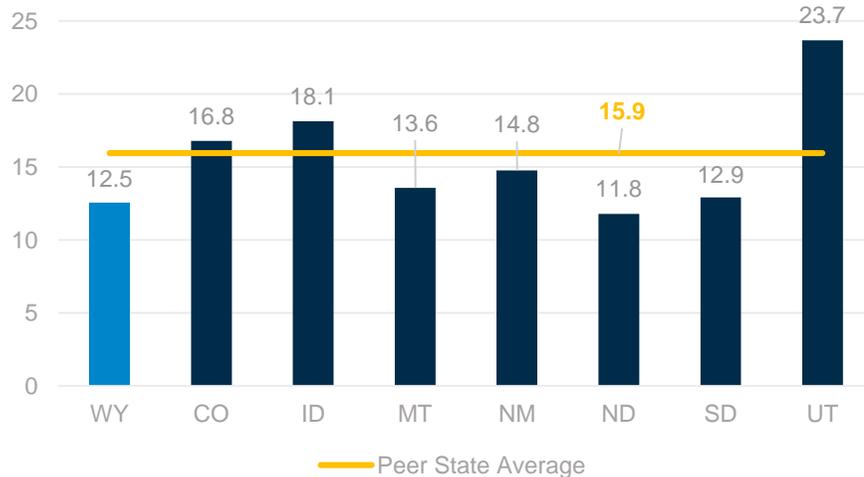
Percentage of Free and Reduced Lunch Students



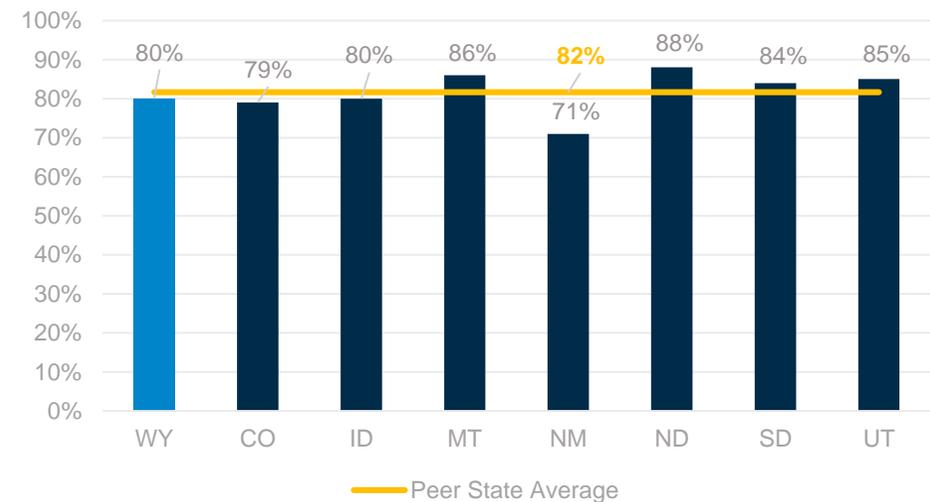
Percentage of English Language Learners (ELL)



Student to Teacher Ratio



Adjusted Graduation Rate for Public High School Students

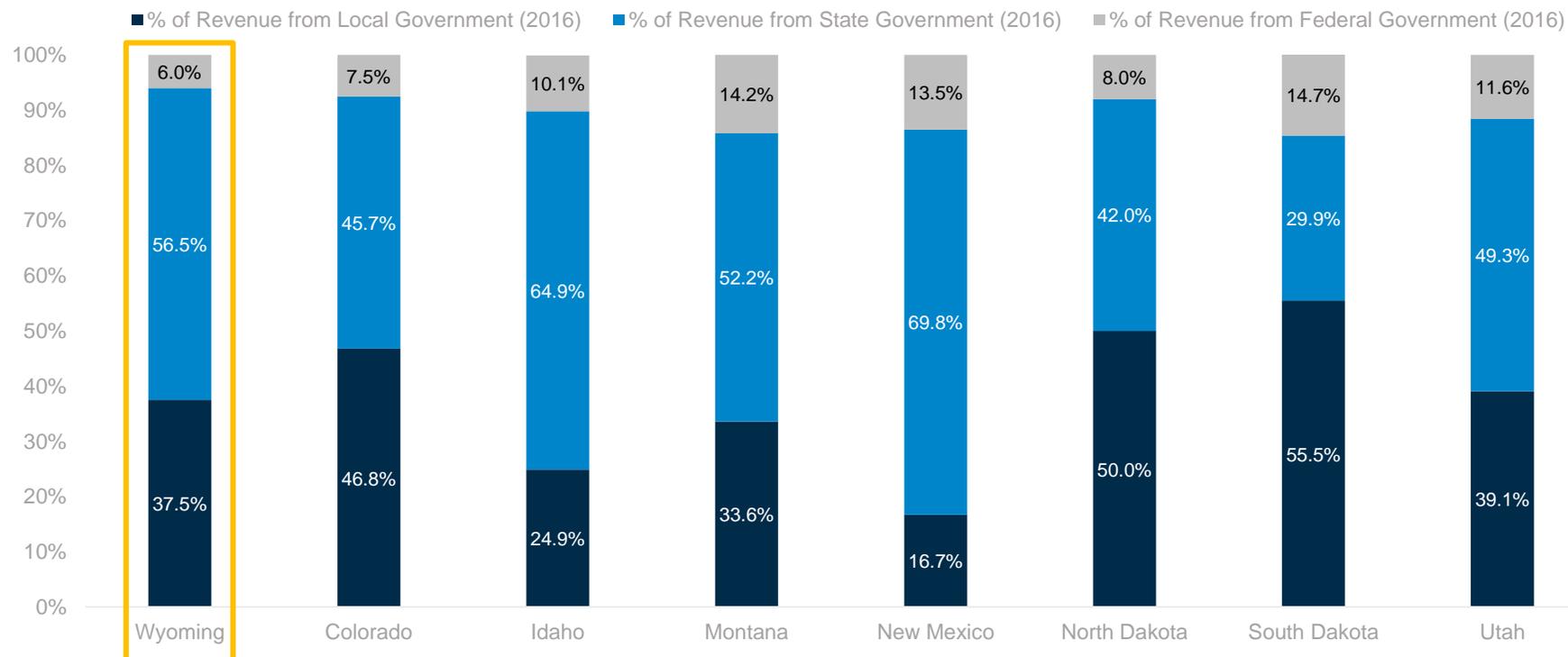


Source: National Center for Education Statistics, The Condition of Education, <https://nces.ed.gov/programs/coel/>, 2017

Education Funding Sources

Wyoming covers 56.5% of education budget from state funds which is slightly higher than the average of its peer group. Wyoming receives a lower percentage of education funding from local and federal sources than its peers.

Percent of Education Revenue by Source



Source: National Center for Education Statistics, The Condition of Education, <https://nces.ed.gov/programs/coe/>, 2017

Consolidate Early Childhood Education within Dept. of Education

Developmental preschool services are currently provided by the Wyoming Department of Health. Transferring these early childhood education services to the Department of Education (WDE) would increase service delivery to students and provide opportunities for greater coordination of educational programs. While bills for the consolidation of early childhood and developmental services in WDE have failed in recent legislative sessions, A&M recommends that the State partner with local education organizations and citizen stakeholder groups to develop a consolidation strategy that maximizes benefits for children.



Department of
Health

Unit: Preschool

Funding: \$73,300,000

FTE: 4

Program Description:

To improve child outcomes by providing early intervention, special education, and related services to children birth through five years with developmental delays and/or disabilities.



Department of
Education

Early Childhood
Education

Department of Education - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> • The Wyoming Department of Education (WDE) provides education to roughly 91,000 students across 23 counties and 48 school districts. • WDE is split into six divisions: Accountability, Communications, Finance, Individual Learning, Information Management, School Support, Standards and Assessment, and the State Superintendent's Office. • WDE has four satellite offices that provide specialized services including educational services for deaf/hard of hearing and blind students. WDE has recently consolidated three of its regional offices. 	<ul style="list-style-type: none"> • Continue to provide specialized services to the Wyoming community via regional offices.
Technology	<ul style="list-style-type: none"> • The Legislature has encouraged WDE to partner with Enterprise Technology Solutions (ETS) to identify opportunities to use technology to drive efficiencies. • WDE is pursuing a partnership with ETS to establish licenses and the necessary workflows to implement an electronic signature process. 	<ul style="list-style-type: none"> • Identify the appropriate electronic signature for WDE in conjunction with other agencies that are implementing the technology. Train agency staff to support adoption of the new platform.
Early Childhood Education	<ul style="list-style-type: none"> • Developmental pre-school early childhood education services are provided through the Wyoming Department of Health. The management audit committee produced two reports between 2017-2018 recommending the consolidation of the pre-school function within WDE. A bill consolidating pre-school functions into the WDE was introduced to the Joint Board of Education but did not pass in late 2018. 	<ul style="list-style-type: none"> • Continue to evaluate efficiencies in shifting funding and headcount for developmental pre-schools from WDH to WDE to allow for increased focus on the function from the State's core education agency. Work with stakeholders to build consensus and design an implementation that addresses their concerns.

Department of Education - Observations & Recommendations

	Observations	Recommendations
District Technology Integration	<ul style="list-style-type: none"> • Currently, software platforms are not standardized across districts. This makes it difficult for WDE to standardize performance metrics and financial reporting. • A significant number of functions are still completed manually at the school district level, which results in errors and delays in information sharing. 	<ul style="list-style-type: none"> • Evaluate opportunities to shift all school district to the same information management system to support consistent evaluation of districts across key performance indicators. A single information system will drive additional efficiencies in the procurement process. • Identify opportunities to increase the use of technology to minimize manual processes.
Interactions with School Districts	<ul style="list-style-type: none"> • School districts are supported centrally by WDE, but simultaneously maintain significant local control in decision making. Currently, WDE receives federal funds from the federal government and disperses them to districts based on the school funding formula. Districts are then able to determine allocations to individual schools. • Wyoming adopted the national Common Core standards in 2012. These outline end-of-year expectations for all Wyoming students to help create equal opportunities to learn regardless of where the student lives. Districts are given the flexibility to determine how to reach those end-of-year expectations. • The WDE’s Student Transportation Division, with support from the Wyoming School foundation program, ensure that districts receive appropriate levels of funding to cover allowed pupil transportation costs. • WDE is partnering with school districts to establish cooperative purchasing arrangements to improve efficiency in the procurement process. 	<ul style="list-style-type: none"> • Continue to provide technical, administrative, and facilities management support services to school districts. • Continue to ensure that funds are distributed to districts in a needs-based manner via school funding formula. • Engage A&I & WYDOT to strategically source specific spend categories to drive cost savings for school districts through economies of scale.

Department of Education - Observations & Recommendations

	Observations	Recommendations
School Foundation Funding	<ul style="list-style-type: none"> • WDE’s Finance Division is heavily involved in administering School Foundation Funding, including auditing the foundation formula and associated spending. • Local funds to support education are monitored in conjunction with the Department of Revenue. • The Department of Audit conducts special reviews of specific areas within the School Foundation Program on an ad hoc basis, and a “blitz” audit every year. 	<ul style="list-style-type: none"> • Perform standard efficiency reviews of the K-12 public education system. Audits should validate source data used in determining the amount of funding schools received by validating number of free and reduced lunch eligible students and special needs students.
Grants Management	<ul style="list-style-type: none"> • Grant funding is provided to school districts on a reimbursement basis. WDE then applies to the Federal Department of Education for payment associated with any federally reimbursable expenditures. • Ten years ago, WDE decided to implement its own grants management system through MTW Solutions. The system not only processes grant payments, but also allows school districts to apply for grant funding. School districts also use the system for grants management compliance report. 	<ul style="list-style-type: none"> • Continue to use a consolidated system to manage school district grants. Ensure that school district performance against grant requirements is consistently reported and actively monitored through the grants management system.

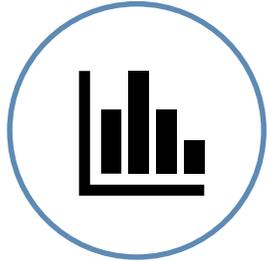
Department of Education - Observations & Recommendations

	Observations	Recommendations
Interactions with Other Agencies	<ul style="list-style-type: none">• WDE works closely with WDH and the Department of Family Services to provide education services to children in court-ordered and medically necessary placement.• WDE has a memorandum of understanding (MOU) with the Community College Commission to develop a database to track students from kindergarten through college.	<ul style="list-style-type: none">• Continue to enhance public access to data regarding Wyoming's education system.

Department of Health - Overview

WDH

The mission of the Wyoming Department of Health (WDH) is to promote, protect, and enhance the health of all Wyoming residents. WDH is split into five divisions: Public Health, Healthcare Financing, Behavioral Health, Aging, and Administration & Support.



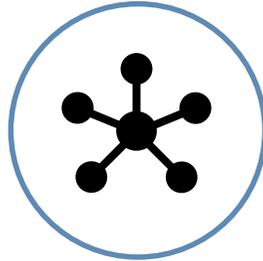
Budget

\$1,860,956,859



Offices

28



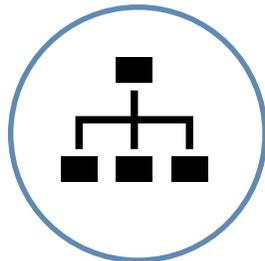
Divisions

4



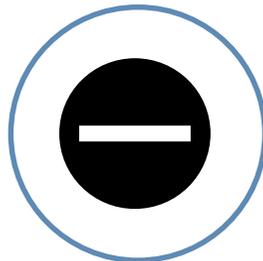
FTEs

1,164



Span of Control

5.78



Vacancies

236

Associated Boards & Commissions

Advisory

Wyoming Senior Services
Interagency Children's Collaborative
Developmental Disabilities Division Advisory Council

Regulatory

Institution Review Board
Wyoming Advisory Committee on Emergency Medical Services and Trauma
Health Benefits Plan Committee

Licensing

Mental Health Licensing Board

Overall State Medicaid Spending per Enrollee

Wyoming is ranked in the top five states in spending for seniors and the top ten states in spending for individuals with disabilities. This is largely driven by a reliance on nursing facility care.

Overall State Medicaid Spending per Full Enrollee Nationwide Ranking Comparison

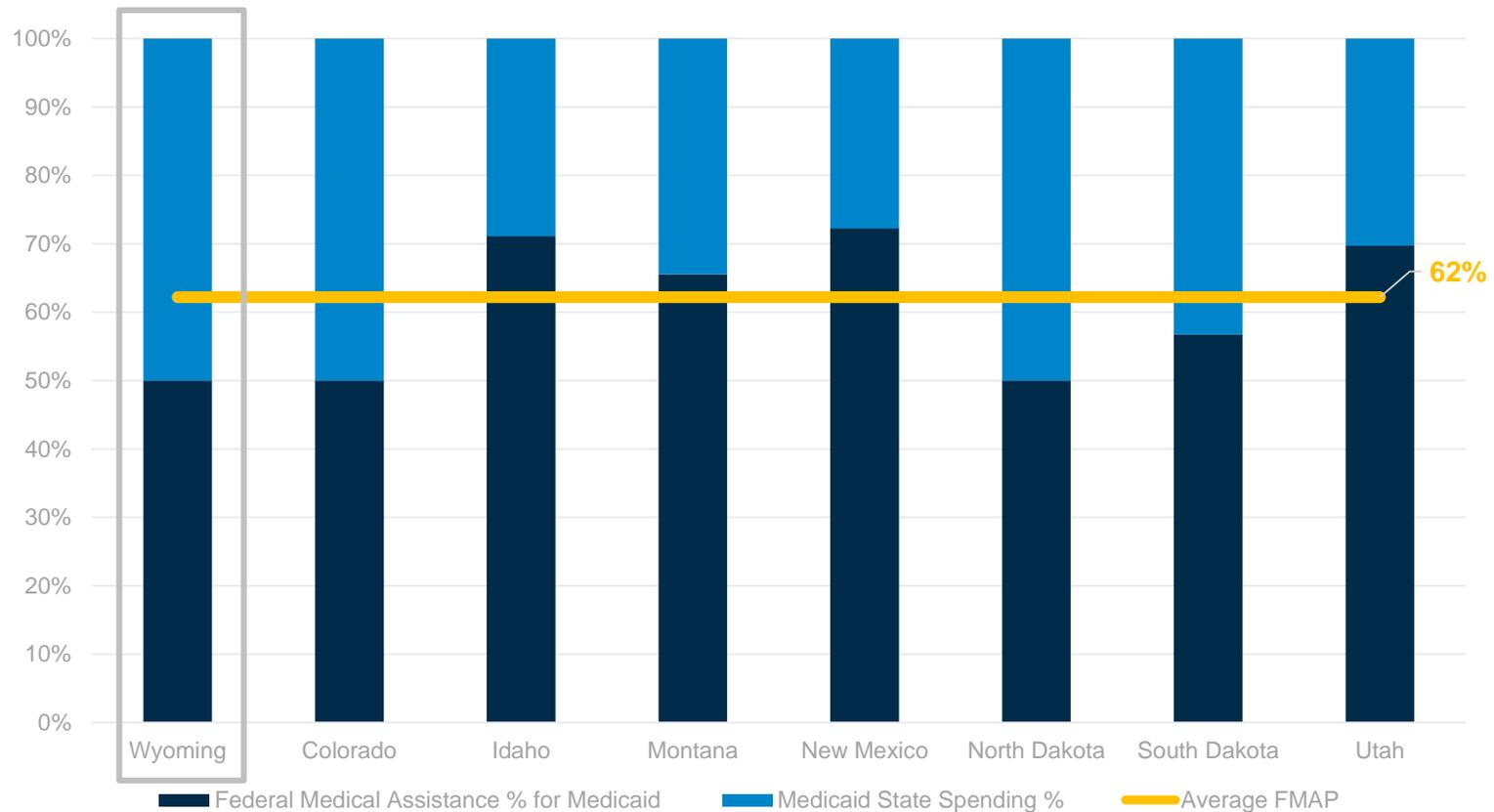
State	Total	Seniors	Individuals w/ Disabilities	Adults	Children
Wyoming	24	5	10	27	38
Montana	20	21	47	1	15
North Dakota	1	3	1	4	5
South Dakota	33	28	22	32	37
Idaho	41	39	27	35	40
New Mexico	32	N/A	23	42	1
Utah	42	46	24	33	34
Colorado	46	44	35	46	45
Peer Average	30	27	24	28	27

Source: Kaiser Family Foundation, [Data Note: Variation in Per Enrollee Medicaid Spending](#), www.kff.org, June 2017 (Data reflects FY2014 expenditures)

Federal Medical Assistance Percentage (FMAP)

Wyoming pays a higher percentage of Medicaid spending than some members in its peer group as Wyoming has elected against Medicaid expansion to date.

Federal Medical Assistance Percentage (FMAP) for Medicaid

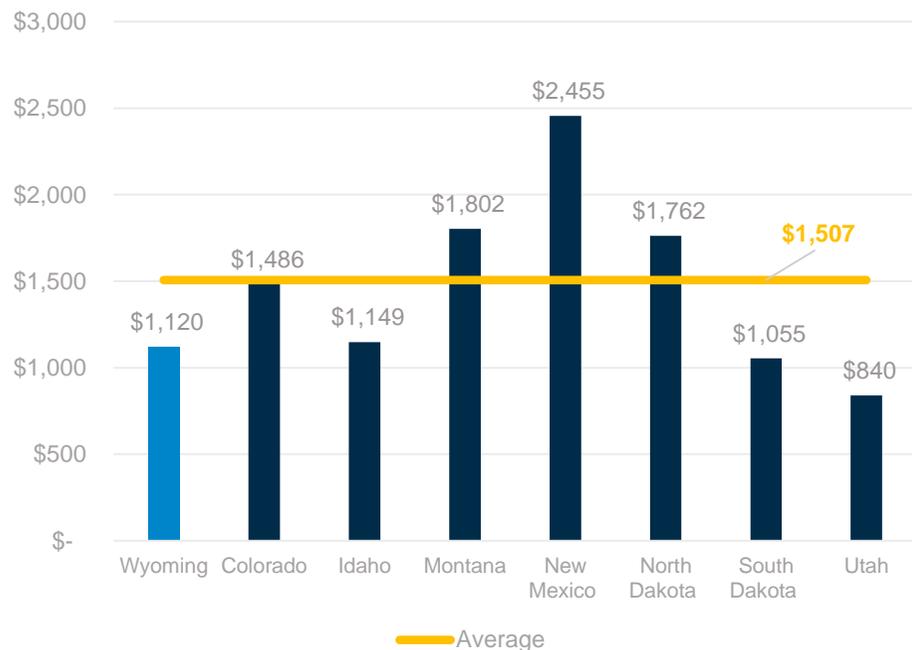


Source: Kaiser Family Foundation, State Health Facts, <https://www.kff.org/statedata/>, 2018

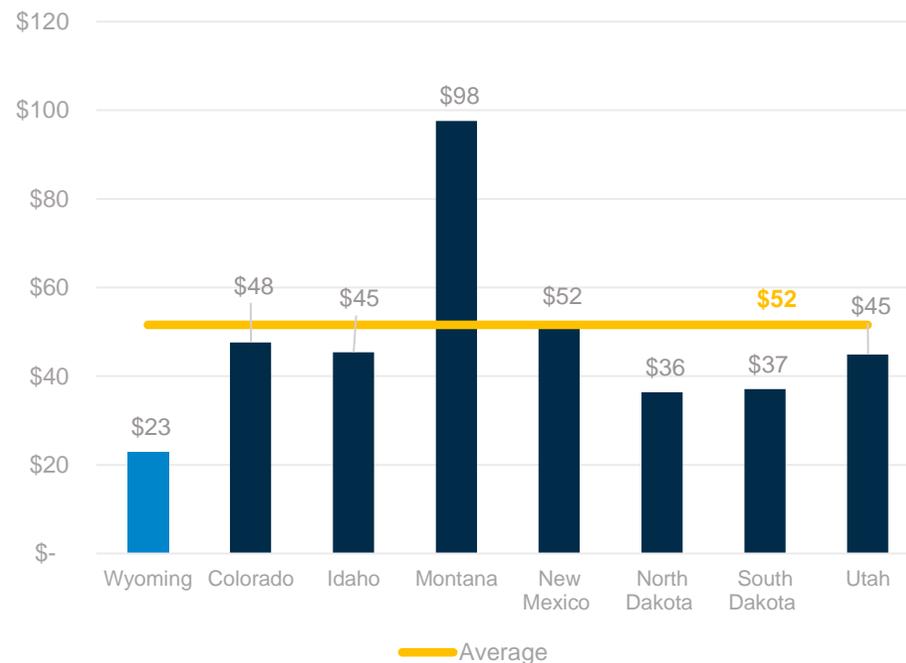
Medicaid and CHIP Spending per Capita

Wyoming's spending per capita on Medicaid and CHIP is lower on average than the spending of its peer states.

Medicaid Spending per Capita



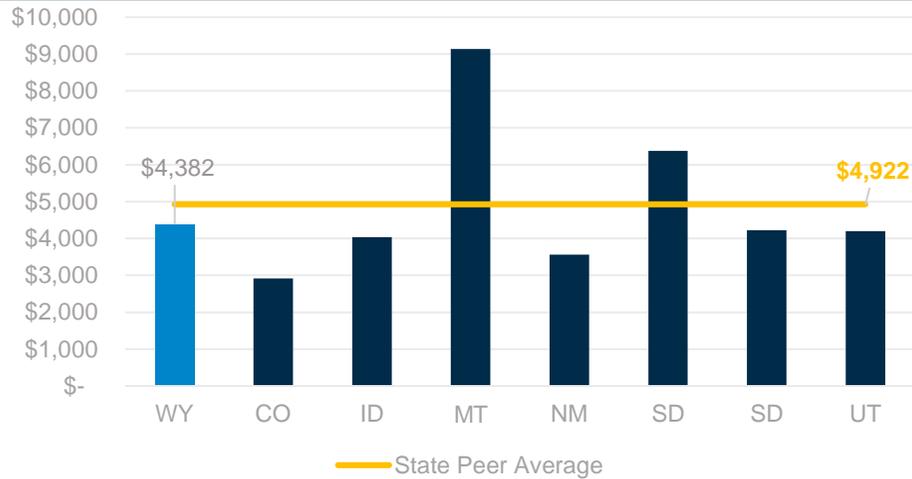
CHIP Spending per Capita



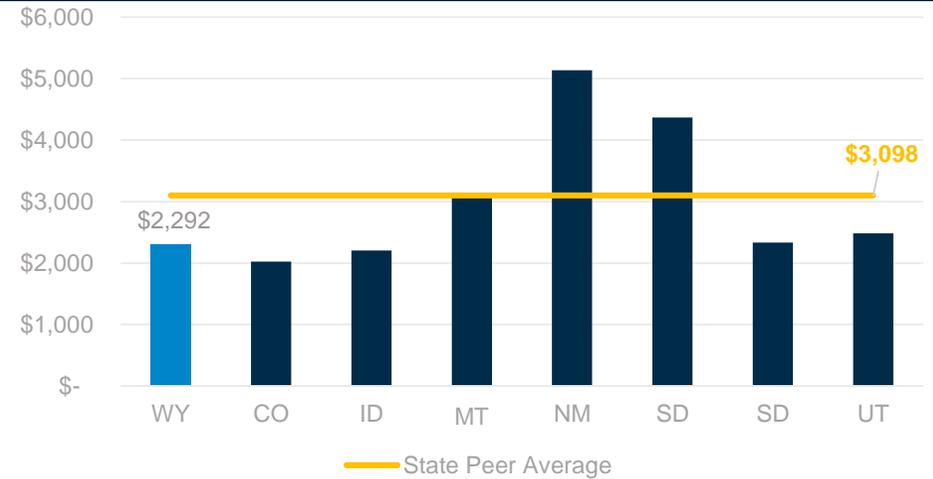
Source: Kaiser Family Foundation, State Health Facts, <https://www.kff.org/statedata/>, 2018

Preliminary Medicaid Spending Benchmarking

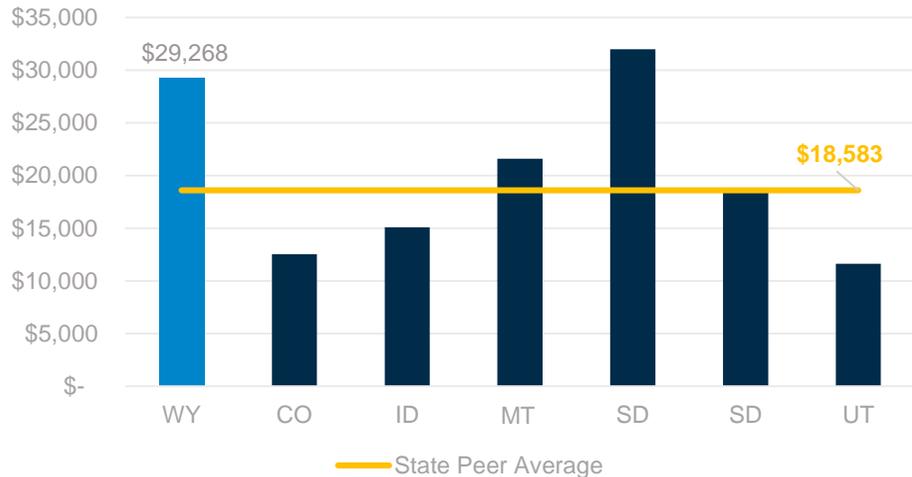
Medicaid Spending per Enrollee - Adults



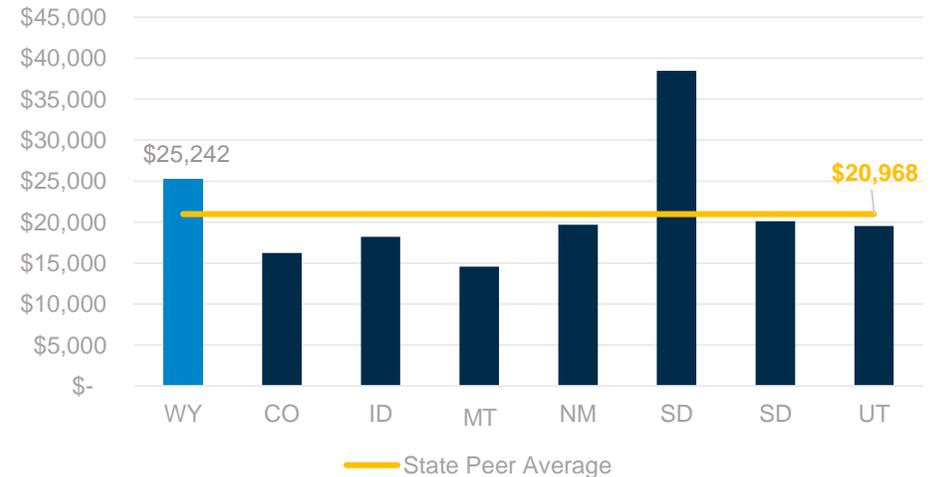
Medicaid Spending per Enrollee - Children



Medicaid Spending per Enrollee - Seniors



Medicaid Spending per Enrollee - Disabilities



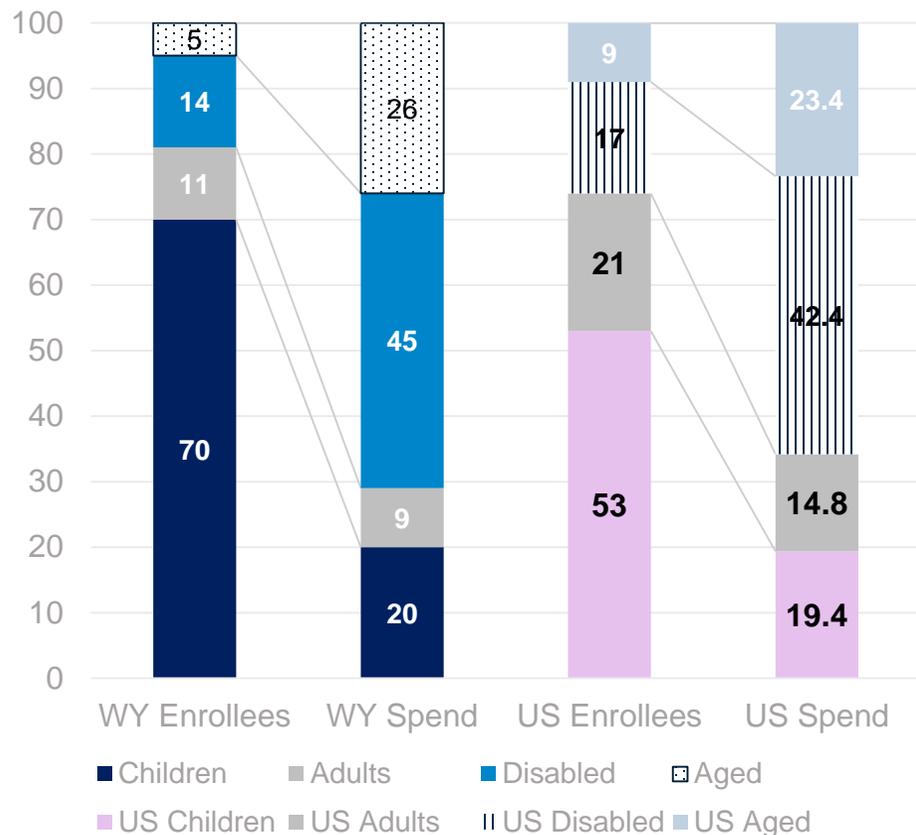
Source: Kaiser Family Foundation, Data Note: Variation in Per Enrollee Medicaid Spending, June 2017 (Data reflects FY2014 expenditures)

DRAFT

Cost By Member Type

When compared to national averages, Wyoming's high costs for aged and disabled are offset by the low levels of spending for child and adult populations.

Costs by Member Type in Wyoming and US Averages



Key Findings

The State's Aged and Disabled Populations contribute a disproportionate share of the costs.

- WY Aged and Disabled Populations are 19 percent of the population with 71 percent of the spend.
- US Aged and Disabled Populations are 26 percent of the population and make up 65 percent of the spend.

Wyoming's low adult population in Medicaid offsets the high spend in other areas.

Wyoming's high number of low-cost children in Medicaid offsets the spend in other areas:

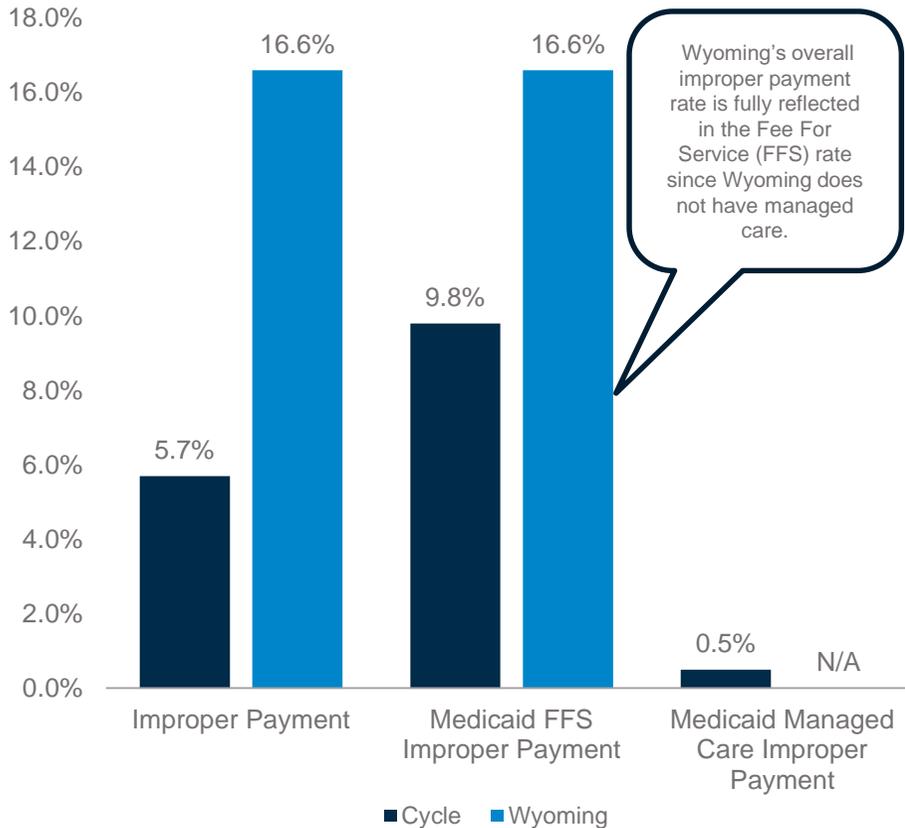
- WY Children represent 70 percent of the enrolled population and make up 20 percent of the spend.
- US Children represent 53 percent of the enrolled population and make up 20 percent of the spend.

Source: Wyoming Department of Health, Government and Efficiency Commission: Wyoming Medicaid, 2017

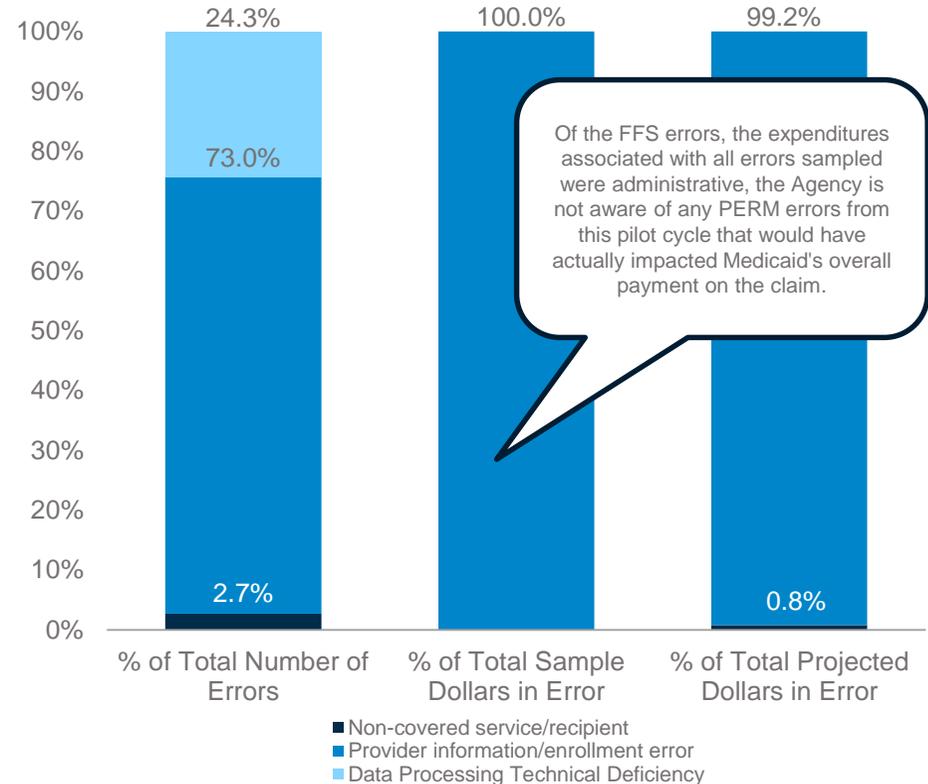
2015 Payment Error Rate Measurement (PERM) Comparison

PERM* "Pilot" Cycles were conducted for medical review and data processing errors only, and did not include a review of Medicaid eligibility decisions. Wyoming's error rate was significantly above the cycle average, primarily due to administrative errors.

Cycle & State Combined and Component Improper Payment Rates



Medicaid FFS Data Processing Review Error Types



Source: FY2015 Wyoming Medicaid PERM Cycle 1 Summary Report

NOTE: PERM stands for Payment Error Rate Measurement and is used by CMS to measure improper payments in Medicaid.

Payment Error Rate Measurement (PERM) Pilot Review

WDH conducted four PERM pilot eligibility reviews ahead of the 2018 CMS review cycle, which revealed issues that could impact payment accuracy. Corrective actions have been taken to mitigate potential error in the future.

Key Findings

PERM Pilot States were required to conduct Eligibility reviews using draft PERM protocols that will be implemented in the 2018 PERM Cycle.

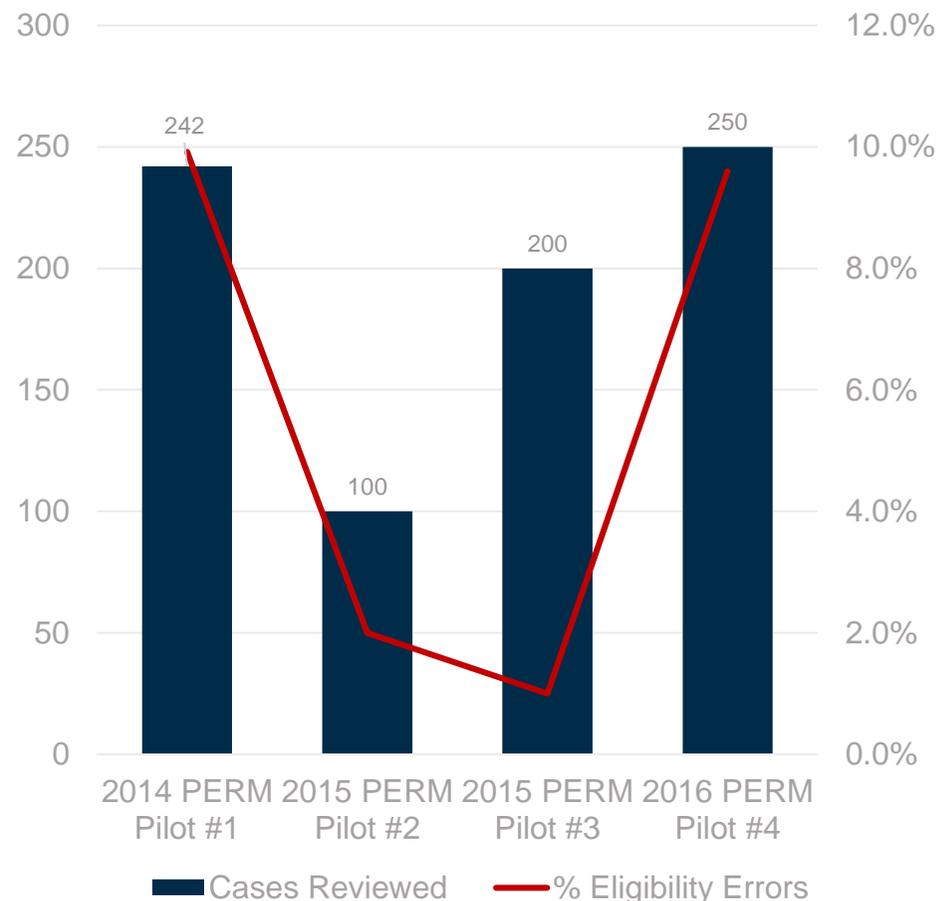
- Other Cycle 1 states include Arkansas, Connecticut, Delaware, Idaho, Illinois, Kansas, Michigan, Minnesota, Missouri, New Mexico, North Dakota, Ohio, Oklahoma, Pennsylvania, Virginia, and Wisconsin.

Internal reviews focused on testing review protocols; findings should be considered anecdotal – not based on statistically valid sample; no national comparisons or benchmarking.

The findings from these reviews indicated recurring issues:

- Missing / inadequate income verification
- Late re-determinations / delayed case closures
- Missing / incorrect notice to beneficiary
- Inadequate IT and Customer Service Center Vendor response to recurring issues
- Note: The data reviewed for the PERM pilots was reflective of particular groups of the population and was not a statistically significant data set.

PERM Pilot Reviews

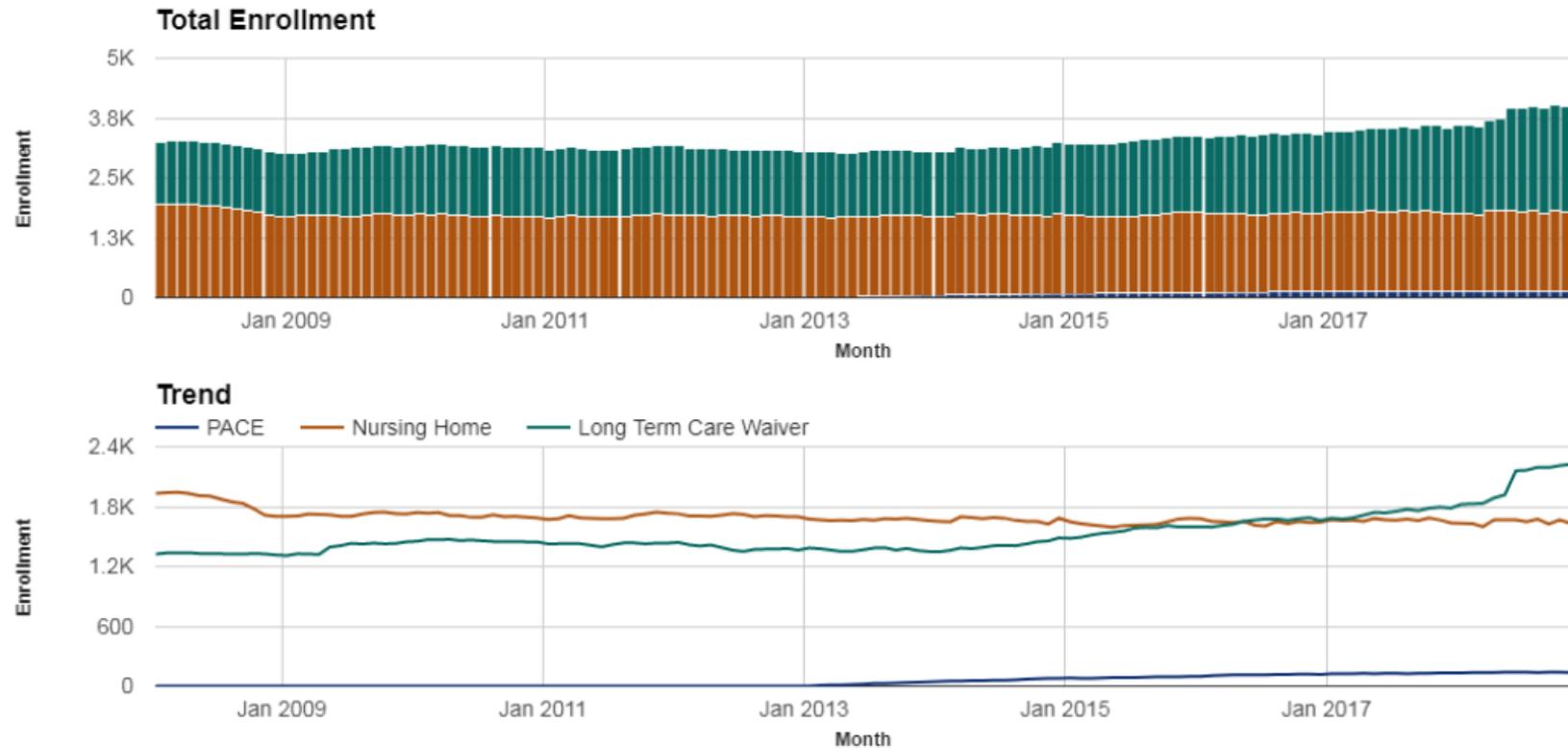


Source: Wyoming Department of Health, Summary of PERM Pilot Results, 2017

Wyoming's Medicaid Spend

The Wyoming Department of Health has made progress in increasing the percentage of participants who are receiving care through PACE and the Long Term Care Waiver, as opposed to nursing facility-based care.

Medicaid Enrollment Trends by Service Type



PACE is the Program for All-Inclusive Care for the Elderly.
Source: Wyoming Department of Health

Department of Health - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> The Wyoming Department of Health (WDH) operates four divisions: Health Care Financing (Medicaid), Behavioral Health, Public Health, and Aging. WDH serves populations that overlap with those served by the Department of Family Services (DFS), Department of Education (WDE), and Department of Corrections (DOC). 	<ul style="list-style-type: none"> Continue to identify ways to effectively partner with State Agencies or external providers with overlapping population to share data and coordinate care.
Interaction with the Department of Family Services	<ul style="list-style-type: none"> WDH and DFS are currently led by the same Director. Leaders within both agencies acknowledge that there is a duplication of functions across the two agencies. WDH submitted a study to the Legislature recommending that the agencies be combined which was then rejected by the Legislature as the resulting agency would have controlled a significant portion of the State's budget. 	<ul style="list-style-type: none"> Develop mechanisms to ensure that WDH and DFS continue to effectively partner despite changes in leadership structure.
Population Growth	<ul style="list-style-type: none"> The State experienced a spike in Medicaid enrollment immediately after the Affordable Care Act. The subsequent decline in the Medicaid population was a result of people being removed from the program after they were determined to be ineligible. Wyoming has experienced significant increases in the elderly population. There is a Program of All-inclusive Care for the Elderly (PACE) offered in Laramie County (based in Cheyenne) to provide services to senior citizens. 	<ul style="list-style-type: none"> Continue to use robust data analysis to monitor changes in Medicaid populations and use this information to drive programmatic changes and strategic decision making. Explore opportunities to expand PACE services to senior citizens throughout the State to improve quality of life and keep participants in their homes as long as possible through community-based services and supports.

Department of Health - Observations & Recommendations

	Observations	Recommendations
Service Eligibility Determination	<ul style="list-style-type: none"> • Medicaid eligibility is determined within WDH's Health Care Financing Division. • There was a plan to implement a common eligibility function, Wyoming Eligibility System 2 (WES2) in partnership with the Department of Family Services (DFS). However, DFS was not able to leverage sufficient funding to complete the WES2 initiative. • Medicaid eligibility services were previously provided by staff in DFS field offices around the state. Those services were brought into Medicaid after the implementation of the Wyoming Eligibility System (WES) – a rules-based eligibility determination system. 	<ul style="list-style-type: none"> • Continue to share information across Agencies with similar populations, to the extent allowable given HIPAA regulations, to support eligibility determinations for programs other than Medicaid.
Facilities Management	<ul style="list-style-type: none"> • Routine facilities maintenance is managed by location-specific staff. • The Wyoming Life Resource Center (WLRC) and state hospital are both in dire need of significant upgrades. There is currently a \$170 million renovation project between the two facilities which will be completed over the next two years. • Procurement is not coordinated across facilities. 	<ul style="list-style-type: none"> • Evaluate options to improve coordination of facilities maintenance activities with A&I General Services Division to drive increased compliance with routine maintenance and more effective facilities management. • Partner with the State Construction Department (SCD) to ensure that all WDH facilities are managed through the AiM system and facilities personnel are trained to use the system effectively. • Identify opportunities to coordinate procurement for WDH facilities to drive more favorable pricing.

Department of Health - Observations & Recommendations

	Observations	Recommendations
Program Integrity	<ul style="list-style-type: none"> The Program Integrity (PI) unit works to ensure payments made to participants, or on their behalf, are accurate and remitted as intended. The PI unit is federally required. Currently, the State's PERM error rates are relatively low. WDH uses a continuous quality improvement process to address provider issues with fraud, waste and abuse. 	<ul style="list-style-type: none"> Continue to address fraud, waste and abuse through existing programs for participant education, data analysis, and performance audits, and appropriate corrective action plans.
Public Health Division	<ul style="list-style-type: none"> The Public Health Division (PHD) is tasked with protecting the health of Wyoming's communities, and preventing disease and injury. PHD is focused on minimizing birth and NICU costs through the "Best Beginnings" home-visit program and evidence based curriculum to increase healthy birth outcomes. Medicaid programs also offer support to expectant mothers. 	<ul style="list-style-type: none"> Consider additional healthy birth outcome initiatives and form partnerships between State Hospital Associations, Non-Profits, Insurance Companies and stakeholders, to improve the health outcomes for newborns and birthing mothers. Manage early birth costs and risks for pre-term births while enhancing options for delivery venues of low risk births to drive savings through reduced delivery costs and reduced admissions.
Provider Relations & Budget Cuts	<ul style="list-style-type: none"> Last year, the Legislature required WDH to cut \$90 million from the budget, with \$60 million of those reductions coming from the Medicaid budget. There is significant pushback from health-care providers on Medicaid rates. Despite this lack of increases in rates, the State's Medicaid provider acceptance rate is 98 percent. 	<ul style="list-style-type: none"> Partner with key stakeholders within the Legislature to build consensus on the appropriate level of Medicaid spending, particularly for programs with enhanced federal match. Continue to engage in provider development activities to ensure that the State is able to maintain the provider network. Consider conducting a rate assessment to determine any adjustments that need to be made to Medicaid rates.

Department of Family Services - Overview

DFS

The Department of Family Services (DFS) promotes the safety, well-being and self-sufficiency of families through community partnerships. Local DFS offices can help qualifying families through the Supplemental Nutrition Assistance Program (SNAP), child support program, child care assistance and other needed services.



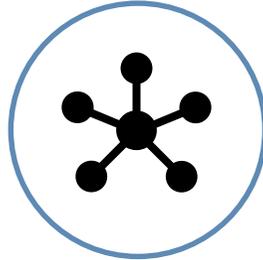
Budget

\$268,240,221



Offices

28



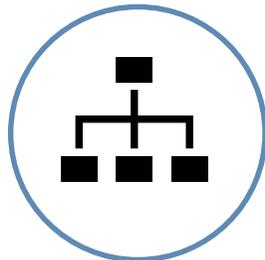
Divisions

4



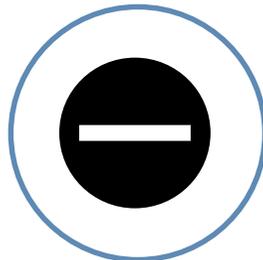
FTEs

673



Span of Control

5.76



Vacancies

35

Associated Boards & Commissions

Licensing

Child Care Certification Board

Advisory

The DFS Advisory Council
Interstate Compact for Juveniles
Interagency Children's Collaborative
Early Childhood State Advisory Council

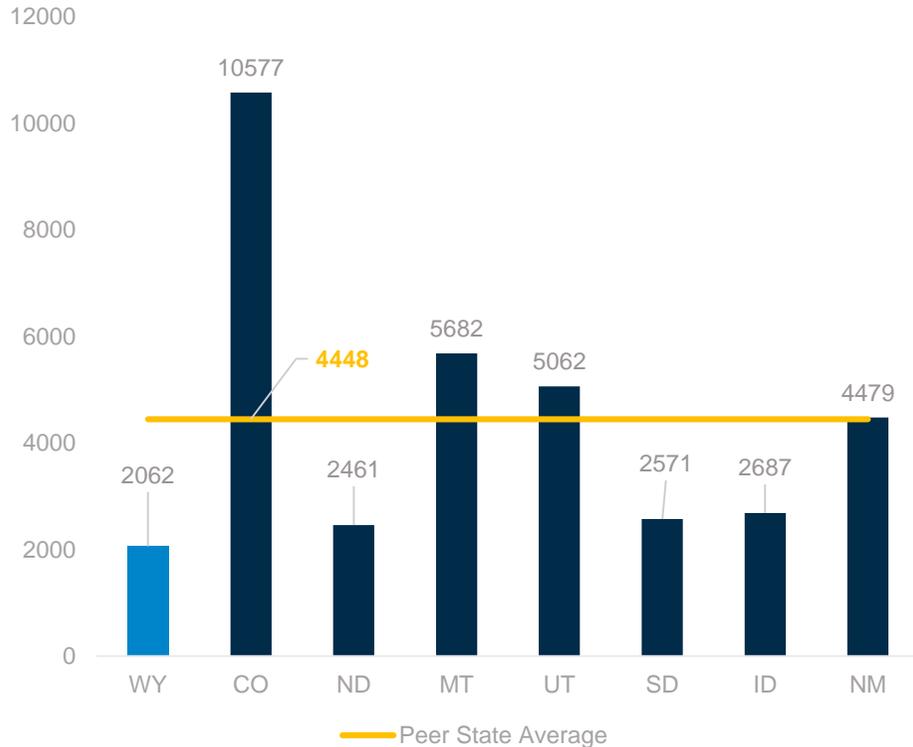
Regulatory

Children's Trust Fund Board

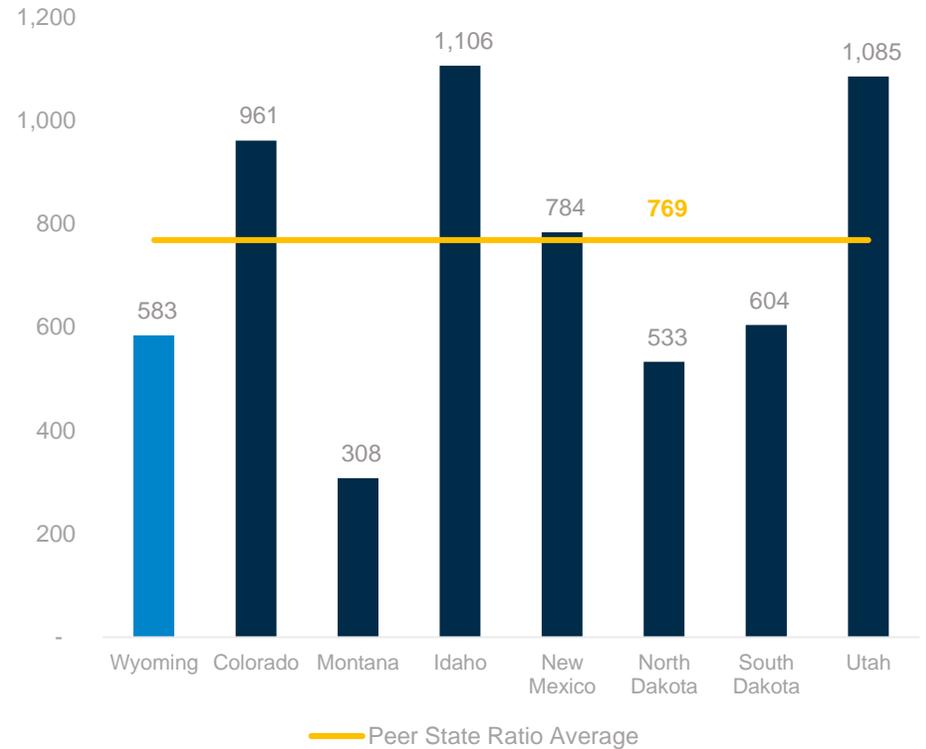
Total Children Served and Adopted

Wyoming's proportional ratio of total state population to foster care population is significantly lower than the average ratio of its peer states. Bureau of Labor statistics indicate that Wyoming has a healthy ratio of total foster care children to child, family, and school social workers.

Total Number of Children Served Per State



Ratio of State Population to State Foster Care Population



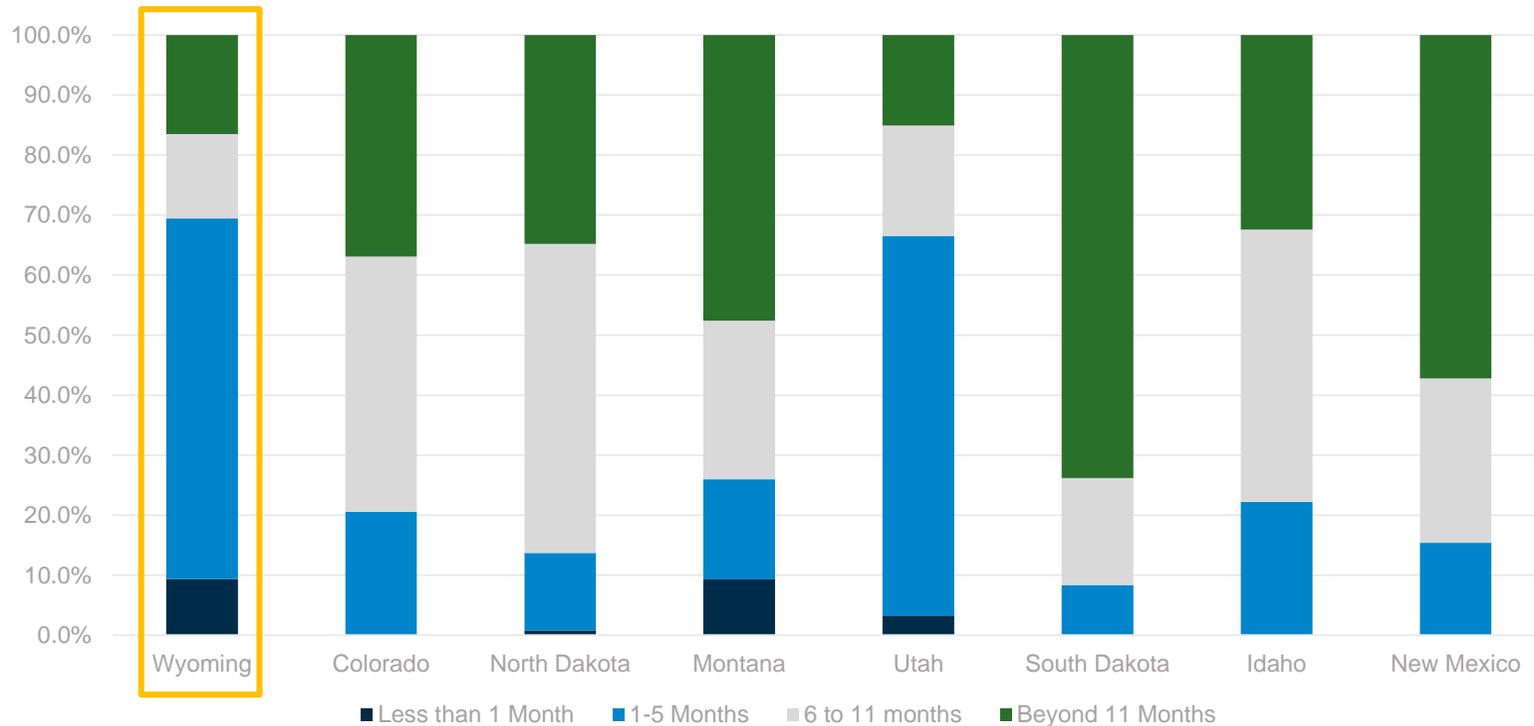
Source: Children's Bureau, Adoption and Foster Care Analysis and Reporting System (AFCARS), "State Data Tables," <https://www.acf.hhs.gov/cb/research-data-technology/reporting-systems/afcars>, 2017

Source: Bureau of Labor Statistics, Occupational Employment Statistics Query System, www.bls.gov, 2017

Total Children Served and Adopted

Wyoming's time between termination of parental rights and adoption finalization of the children adopted within its system is significantly more timely than those of its peer states. Almost 70% of adoptions are executed within five months of the termination of parental rights.

Time between Termination of Parental Rights and Adoption Finalization of those Children Adopted



Source: Administration for Children and Families, "Time between Termination of Parental Rights (TPR) and Adoption Finalization of Those Children Adopted During FY2016," <https://www.acf.hhs.gov/sites/default/files/cb/tpr2016.pdf>, 2017.

Dept. of Family Services - Observations & Recommendations

Summary of Observations and Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none">• The Department of Family Services (DFS) promotes the safety, well-being and self-sufficiency of families through community partnerships. Local DFS offices can help qualifying families with Supplemental Nutrition Assistance Program (SNAP), child support enforcement, child care assistance and other needed services. DFS staffs 28 field offices located in each of Wyoming's 23 counties.• DFS operates four divisions: Social Services, Economic Security, Financial Services and Support Services.• DFS reports that on average, the caseload per Wyoming case-worker is 13.4. This number falls inside caseload guidelines recommended by the Child Welfare League of America, however, worker caseloads vary in Wyoming as an incident can include multiple children in a single family.	<ul style="list-style-type: none">• Evaluate opportunities to increase coordination across county offices to expand provider networks and enhance overall service delivery.
Service Eligibility Determination	<ul style="list-style-type: none">• Any child in DFS custody is provided Medicaid by the Department of Health (WDH). DFS determines eligibility for other services provided within their department.• There is limited interaction between the eligibility determination functions in DFS and WDH. DFS regional offices are also involved in eligibility determination.	<ul style="list-style-type: none">• Enhance mechanisms to share information and data across WDH and DFS to inform each agency's eligibility determination process.

Dept. of Family Services - Observations & Recommendations

Summary of Observations and Recommendations

	Observations	Recommendations
Case Worker Load	<ul style="list-style-type: none"> • DFS attempts to maintain case-loads that are within the range of nationally established guidelines. • DFS tracks worker cases based on engagements. As such, worker caseloads can vary when engagements include multiple children in a single family that require services. • In rural settings, caseload guidelines are difficult to adhere to when resources and staff are limited. 	<ul style="list-style-type: none"> • Conduct an occupational study of caseworkers, investigators, and staff to ensure: <ul style="list-style-type: none"> ○ Roles are properly classified based on qualifications and responsibilities ○ DFS maintains the necessary staff to provide quality services to its children and family ○ Caseworkers maintain long-term relationships with children in the Wyoming system to provide sustainability and consistency ○ Retention strategies for caseworkers are targeted and effective • Shift data tracking practices to focus on individuals served per caseworker.
IV-E	<ul style="list-style-type: none"> • Prior to 2017, Wyoming’s IV-E penetration rates were low due to standards that were considered more strict than national standards. • Wyoming has since shifted its policies to follow federal eligibility requirements, and currently maintains a 30 percent penetration rate. • To complete this process, the Department of Family Services worked closely with the courts to ensure that policies include requisite structure and language. 	<ul style="list-style-type: none"> • Continue IV-E expansion where appropriate to provide additional levels of funding to DFS programming.

Dept. of Family Services - Observations & Recommendations

Summary of Observations and Recommendations

	Observations	Recommendations
Program Integrity	<ul style="list-style-type: none">• DFS has integrity units that perform internal program audits and provider audits and fraud recovery services. These operations run completely separate from integrity units within WDH and the Department of Audit (DOA).	<ul style="list-style-type: none">• Engage DOA in providing independent integrity and performance audit services to DFS to evaluate agency and provider performance, as well as to safeguard against fraud, waste, and abuse.

Department of Transportation - Overview

WYDOT

The Wyoming Department of Transportation (WYDOT) is committed to building a better transportation system for the traveling public. WYDOT is the largest of Wyoming's Departments and is managed by six offices: the Chief Engineer, the Chief Financial Officer, the Chief Technology Officer, the Aeronautics Administrator, the Highway Patrol Administrator, and the Support Services Administrator.



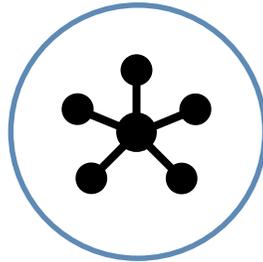
Budget

\$217,686,556



Offices

66



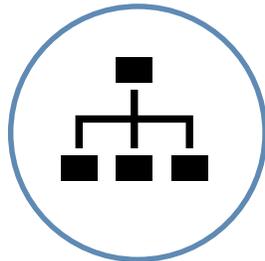
Divisions

7



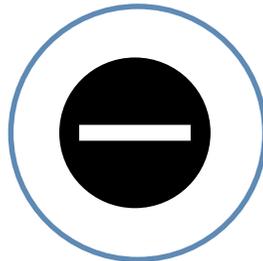
FTEs

1,866



Span of Control

5.2



Vacancies

281

Associated Boards & Commissions

Regulatory

- County Road Standards Committee
- Transportation Commission
- Aeronautics Commissions
- Transportation Commission
- Public Safety & Communication Commission
- Pipeline Authority
- Impaired Driving
- Infrastructure Authority
- Emergency Response Commission

State Highway Performance Ratings

Wyoming's overall highway performance rating is higher than the peer state average. Wyoming ranks 1st in Urbanized Area Congestion, 30th in Rural Interstate Pavement Condition, and 22nd in Deficient Bridges. Wyoming's greatest deficiency is in the fatality rates category where it ranks 45th out of 50 states.

State Highway Performance Ratings, 2015

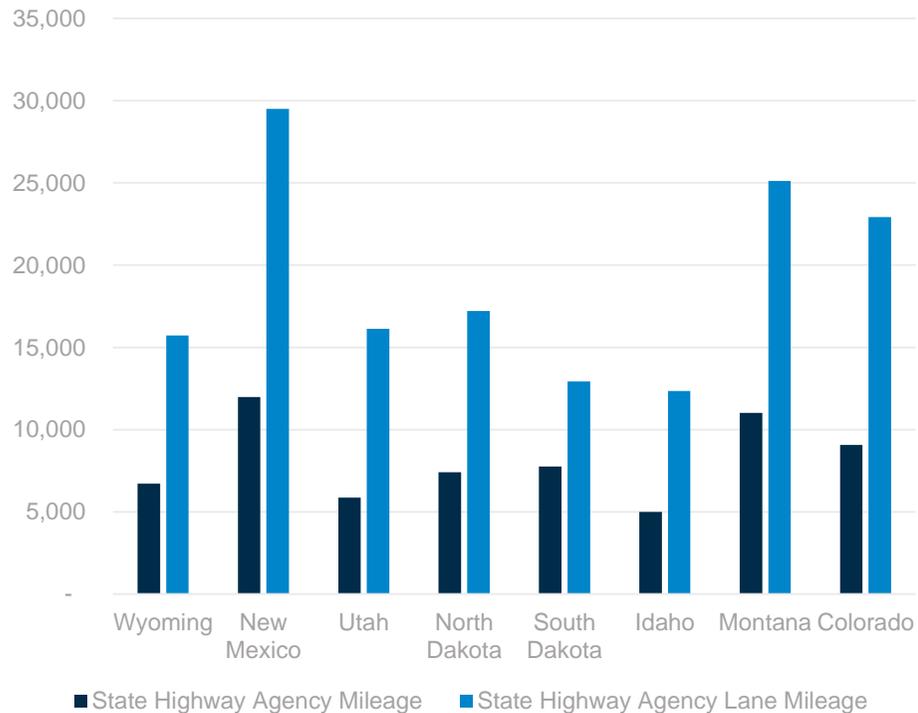
State	Overall Highway Performance Ratings, 2015	Rural Interstate Pavement Condition	Urban Interstate Pavement Condition	Urbanized Area Congestion	Deficient Bridges	Fatality Rates
Wyoming	8	30	11	1	22	45
New Mexico	24	18	14	14	4	23
Utah	10	8	13	19	3	13
North Dakota	1	4	18	4	15	37
South Dakota	3	13	32	5	31	43
Idaho	7	32	12	7	17	36
Montana	6	17	28	9	14	49
Colorado	31	47	22	35	8	22
Peer State Avg.	12	20	20	13	13	32

Note: States are ranked from 1-50 on each category, where 1 is considered the best
 Source: Reason Foundation, 23rd Annual Highway Report on the Performance of State Highway Systems, www.reason.org, 2018

State Highway Agency Mileage Benchmarks

WYDOT maintains less overall State Highway Agency (SHA) mileage and lane mileage than its peer states.

State Highway Agency Mileage to Lane Mileage



State	Ratio of SHA Mileage to SHA Lane Mileage
Wyoming	2.33
Peer State Average	2.45
New Mexico	2.46
Utah	2.75
North Dakota	2.32
South Dakota	2.31
Idaho	2.47
Montana	2.28
Colorado	2.53

Disbursements per State-Controlled Mile

WYDOT's disbursements per state controlled mile are significantly lower than its comparative state counterparts.

Disbursement Benchmarks by State-Controlled Mile (SCM)

State	Capital and Bridge Disbursements per State-Controlled Mile	Maintenance Disbursements Per State-Controlled Mile	Administrative Disbursements	Total Disbursements per State-Controlled Mile
Wyoming	\$ 51,248	\$ 11,807	\$ 10,955	\$ 79,348
New Mexico	\$ 35,754	\$ 3,856	\$ 28,368	\$ 90,839
Utah	\$ 71,924	\$ 57,761	\$ 14,412	\$ 243,551
North Dakota	\$ 87,710	\$ 4,088	\$ 3,603	\$ 100,608
South Dakota	\$ 33,288	\$ 8,299	\$ 6,674	\$ 52,125
Idaho	\$ 73,442	\$ 25,262	\$ 6,060	\$ 125,328
Montana	\$ 39,979	\$ 11,571	\$ 7,019	\$ 65,171
Colorado	\$ 93,264	\$ 36,695	\$ 11,190	\$ 183,224
States Comp. Avg.	\$ 62,194	\$ 21,076	\$ 11,047	\$ 122,978

Source: Reason Foundation, 23rd Annual Highway Report on the Performance of State Highway Systems, www.reason.org, 2018

Dept. of Transportation - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> The Department of Transportation is responsible for building and maintaining the transportation infrastructure of Wyoming. WYDOT operates six divisions: the Office of the chief engineer, the aeronautics administrator, CFO services, CTO Services, Highway Patrol Office, and Support Services Administrator (Driver services/Motor Vehicles). 	<ul style="list-style-type: none"> Continue to identify opportunities to drive efficiency in regional offices, particularly within administrative functions.
Services Provided to Other Agencies	<ul style="list-style-type: none"> WYDOT supports other agencies in a variety of manners. It provides the following services (amongst others) in a formal manner to State agencies: fuel distribution, air transport for Wyoming Staff, long-term radio system and network of dispatchers, integrated public safety force, and data sharing via the State ID system. WYDOT also supports agencies by providing the following services on an as-needed basis: access to procurement system and resources, facility management, grounds and fleet maintenance. 	<ul style="list-style-type: none"> Continue to support State agencies through formalized service channels. Evaluate the business case for expanded roads maintenance services provided to state agencies through a statewide chargeback program to provide greater opportunities for: achieving economies of scale, developing a State maintenance and construction workforce with technical expertise, and providing increased service levels to the State. Define WYDOT's maintenance roles with SPCR, GFD, and the Forestry Department to include road and grounds maintenance. Expand Equipment Buy Back program for large, specialized equipment to expand revenue streams.
ID System of Wyoming	<p>WYDOT maintains the basic identification systems for Wyoming using a Revenue Information System. The system is both crucial and outdated and requires external contractors to maintain. A large number of agencies and commissions including Game and Fish, Law Enforcement Agencies, Family Services, and the Secretary for Voter Registration, rely on the information in this data set.</p>	<ul style="list-style-type: none"> Continue the migration process of the statewide ID system.

Dept. of Transportation - Observations & Recommendations

	Observations	Recommendations
Asset Management Software	<ul style="list-style-type: none">WYDOT recently issued a request for proposal (RFP) for facilities management software.	<ul style="list-style-type: none">Adopt facilities management software that is compatible with the AiM system.

State Parks & Cultural Resources - Overview

SPCR

The Wyoming Department of State Parks and Cultural Resources (SPCR) provides recreational, cultural, and educational opportunities and experiences to improve communities and enrich lives. The Department is split into three divisions: the Division of State Parks, the Division of Cultural Resources, and the Administrative Services Division.



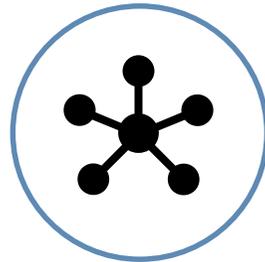
Budget

\$53,788,277



Offices

20



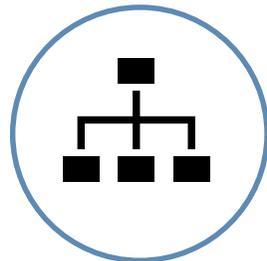
Divisions

2



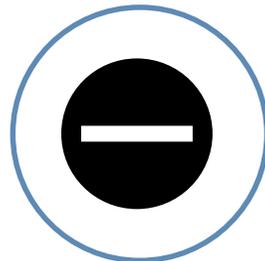
FTEs

161



Span of Control

5.1



Vacancies

70

Associated Boards & Commissions

Advisory

- State Parks & Cultural Resources Commission
- Trails Council
- Cultural Trust Fund
- Arts Council
- National Register of Historic Places
- State Historical Records (SHRAB)

State Park Benchmarks

Wyoming maintains and operates roughly 40 state park areas and 120,000 acres. Despite a significantly lower operating budget, Wyoming's State Parks operate a comparable number of state park acres and receive more annual visitors than any state besides Colorado, South Dakota, and Utah.

Total # of State Park Areas v. State Park Acreage				State Park Operating Budgets v. Total State Operations Revenues		
State	Number of Total Areas	Total Acres Under State Park Management	Total Annual Visitation	State	State Park Operating Budget	State Park Operating Revenue
WY	41	119,566	4,481,516	WY	\$9,400,704	\$2,036,457
State Peer Average	137	280,609	5,339,214	State Peer Average	\$20,538,074	\$15,385,972
CO	604	1,379,371	12,464,445	CO	\$56,541,168	\$30,058,095
ID	32	58,922	4,991,834	ID	\$16,391,900	\$10,867,100
MT	66	46,035	2,560,855	MT	\$9,298,668	\$2,874,318
NM	37	191,617	4,298,226	NM	\$19,479,300	\$5,301,400
ND	39	35,010	1,165,534	ND	\$4,296,588	\$4,065,441
SD	132	102,548	7,410,740	SD	\$22,273,361	\$21,309,544
UT	50	150,758	4,482,866	UT	\$26,622,905	\$46,575,424

Note: Number of Total Areas includes: Historical areas, Environmental Education, Scientific Areas, State Parks, Recreational Areas, & Natural Areas

Source: National Association of State Park Directors, Statistical Report of State Park Operations, 2014-2015, www.cnr.ncsu.edu

State Parks - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> • SPCR provides the State's citizens and visitors a variety of opportunities to enjoy Wyoming's art, parks and history. • SPCR is split into two divisions across 20 offices: the Division of State Parks, Historic Sites and Trails, and the Division of Cultural Resources. 	<ul style="list-style-type: none"> • Continue to identify opportunities to drive efficiency, particularly in regional offices and coordinate with other geographically dispersed agencies to provide technical training to Wyoming employees.
Permits	<ul style="list-style-type: none"> • Collaboration between SPCR and the Game and Fish Department to streamline the permitting process is ongoing. 	<ul style="list-style-type: none"> • Engage the Outdoor Recreation portal to consolidate recreational licensing purchasing within a single platform, further enhancing customer experience.
Division of Cultural Resources	<ul style="list-style-type: none"> • The Division of Cultural Resources has a variety of internal units including: the Wyoming State Historic Preservation Office, State Archives, Wyoming Arts Council, the State Museum, Office of the State Archaeologist and Wyoming Cultural Trust Fund. • There is overlap between the services provided by the State Archives the State Library which is operated by the Department of Administration & Information. • SPCR has recently shifted various operating procedures for these services to better accommodate the needs of the public. 	<ul style="list-style-type: none"> • Evaluate opportunities to streamline function of the State Archives and the State library to drive efficiencies in records management.

State Parks - Observations & Recommendations

	Observations	Recommendations
Facilities Management	<ul style="list-style-type: none"> The campgrounds that the State Parks operates were mainly constructed in the 1970s. As consumers preferences have continued to shift, SPCR is working to update the facilities to meet demand and to provide a more impactful consumer experience. 	<ul style="list-style-type: none"> Engage A&I's General Services Division to include all SPCR facilities in the consolidated AiM database to streamline the process for monitoring preventative maintenance and tracking compliance.
Grounds, Road, and Fleet Maintenance	<ul style="list-style-type: none"> SPCR is responsible for the maintenance and upkeep of all State Parks. 	<ul style="list-style-type: none"> Utilize the services of the Wyoming Department of Transportation to support roads and grounds maintenance within State Parks. Utilize WYDOT's network of service providers to realize savings for SPCR's motor pool.

Game & Fish Department - Overview

GFD

The Wyoming Game and Fish Department (GFD) provides a system of control, propagation, management and protection and regulation of all wildlife in Wyoming. The GFD is split into four divisions: the fiscal division, the services division, the fish division and the wildlife division.



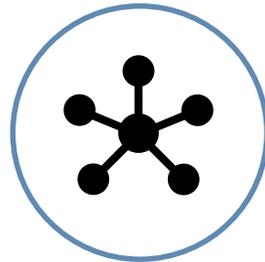
Budget

\$81,885,118



Offices

11



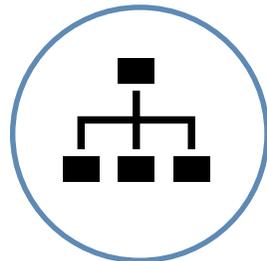
Divisions

4



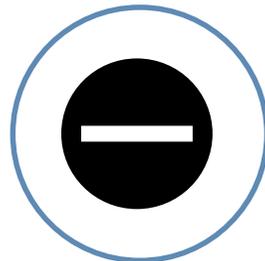
FTEs

385



Span of Control

6.7



Vacancies

75

Associated Boards & Commissions

Licensing

Outfitters and Professional Guides
Associated Boards & Commissions

Regulatory

Game and Fish Commission
Sage Grouse Implementation Team
Animal Damage Management Board
Public Safety Communications Commission

Game & Fish Department - Benchmarks

There is an opportunity to increase the overall number of hunting license tags, permits, and stamps. According to the US Fish & Wildlife Services, peer states have sold more licenses, permits, and stamps overall and on a per acre managed basis.

Total Acres Managed by Game & Fish Agency v. Total Hunting License Tags, Permits, and Stamps

State	Total Acres Managed by Game & Fish Agency	Total Hunting License Tags, Permits and Stamps	Total Fishing License, Tags, Permits and Stamps
Wyoming	410,342	247,914	360,074
Peer State Average	278,980	759,308	609,121
Colorado	647,609	568,764	1,282,506
Idaho	228,342	1,206,997	639,505
Montana	465,092	1,782,319	879,616
New Mexico	166,355	441,906	485,172
North Dakota	202,660	520,355	226,218
South Dakota	222,951	373,976	237,311
Utah	19,848	420,841	513,520

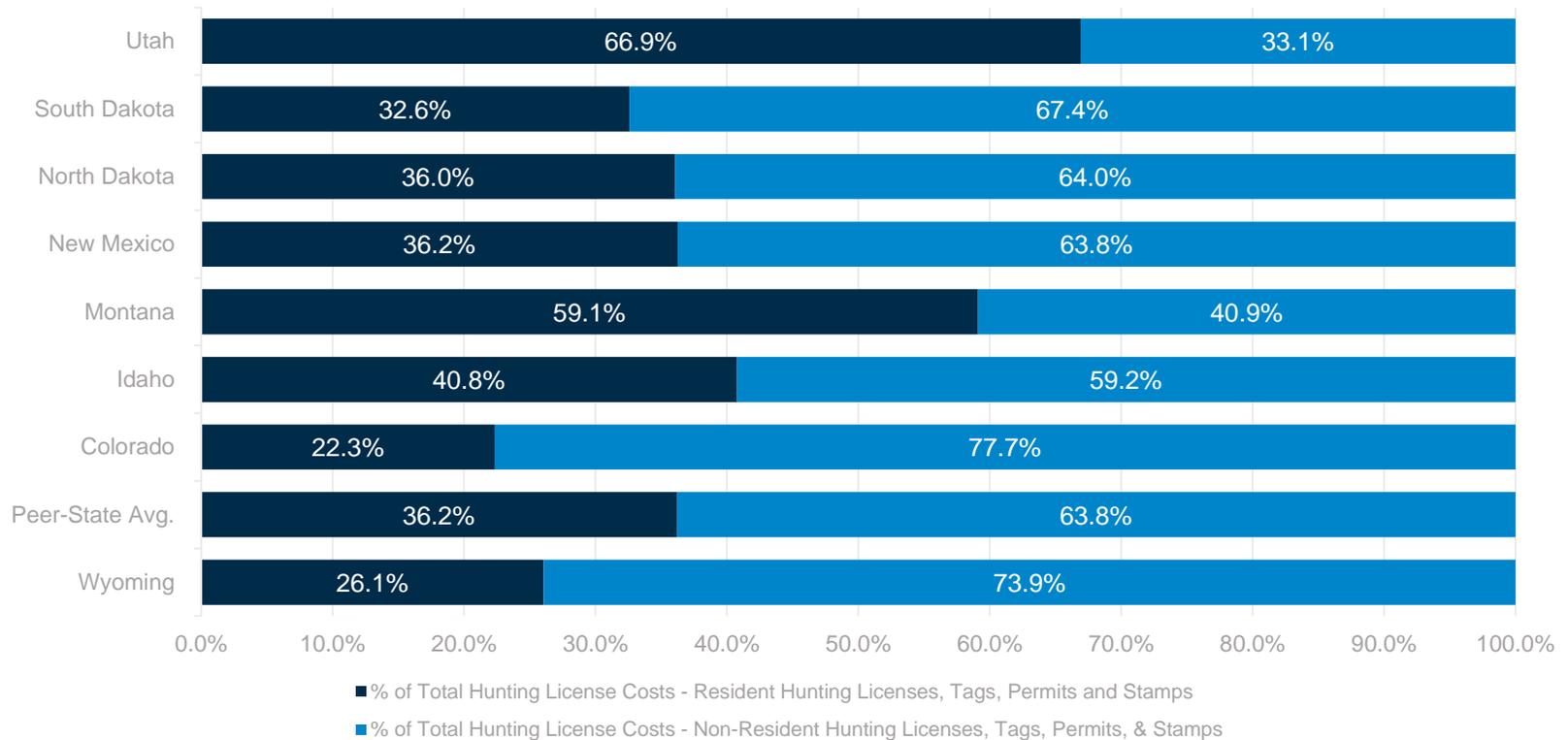
Source: US Geological Survey, National Gap Analysis Project, <https://wsfrprograms.fws.gov/subpages/licenseinfo/LicenseIndex.htm>, 2017

Source: US Fish and Wildlife Service, National Hunting License Data, www.wsfrprograms.fws.gov, 2018

Game & Fish Department - Benchmarks

Non-state residents make up the majority of Wyoming's hunting license, permit and tag sales.

**Percent of Total Hunting License Sales Costs,
Non-State Residents v. State Residents**

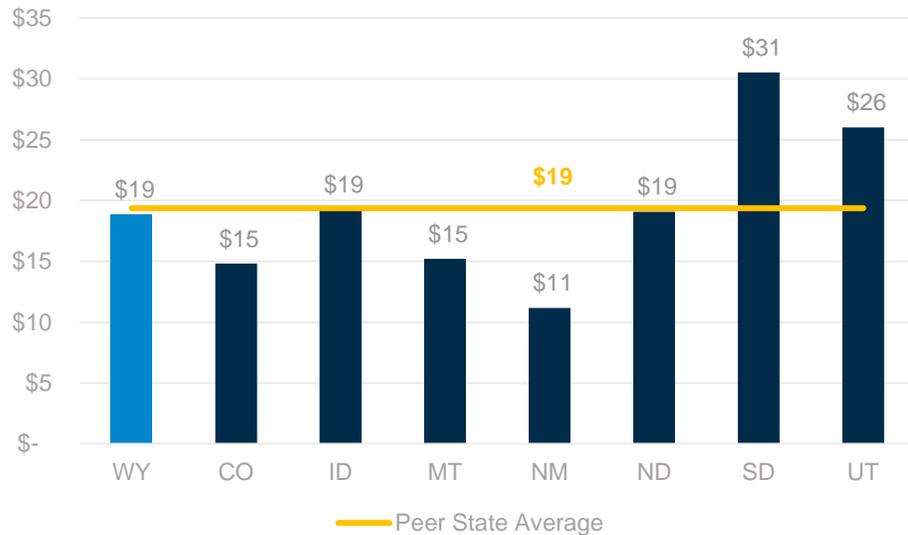


Source: US Fish and Wildlife Service, National Hunting License Data,
www.wsfprograms.fws.gov, 2018

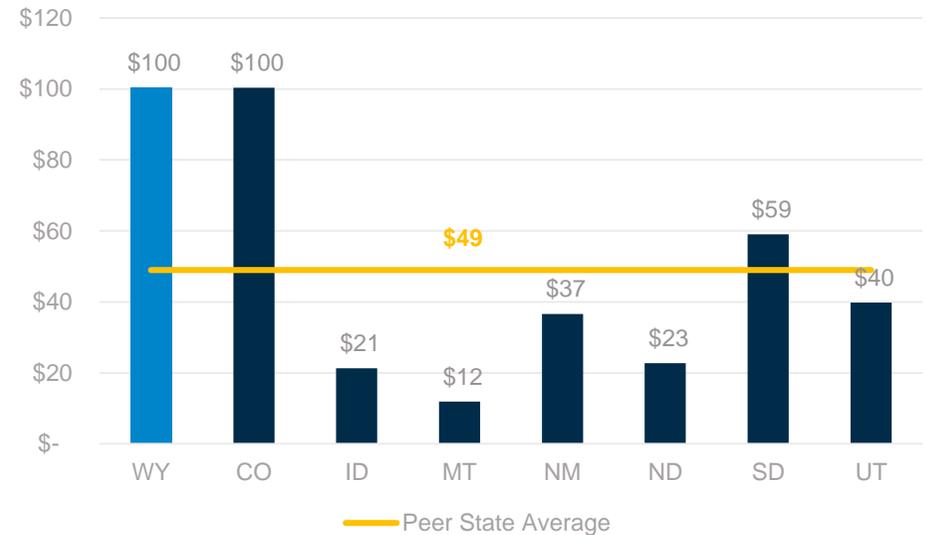
Game & Fish Department - Benchmarks

Though the Game and Fish Department maintains a lower gross cost of hunting licenses, tags, permits and stamps, it's relative costs per tag/permit/stamp is higher than its peer states. This suggests that there might be efficiencies in the licensing process that would yield cost savings for the Game and Fish Department.

Cost to State Agency per Fishing License



Cost to State Agency per Hunting Licenses



MT

Source: US Fish and Wildlife Service, National Hunting License Data, www.wsfrprograms.fws.gov, 2018

Game & Fish Department - Observations & Recommendations

	Observations	Recommendations
Overview	<ul style="list-style-type: none"> GFD employs over 400 personnel and is statutorily mandated to manage over 800 species of wildlife across Wyoming. The Department has over 20 different programs to ensure that all wildlife is conserved and enhanced. The Game and Fish Commission (GFC) serves as the policy-making body responsible for directing and supervising the Wyoming Game and Fish Department Director. 	<ul style="list-style-type: none"> Continue to identify opportunities to drive efficiency in regional offices, particularly with administrative functions.
Department Revenues and Budget	<ul style="list-style-type: none"> Hunters and anglers provide roughly 80 percent of Wyoming’s wildlife management revenue via hunting and fishing licenses, conservation stamps and fees. They also contribute through federal taxes on firearms, ammunition, fishing tackle, boat fuel and other outdoor equipment. As hunters and anglers are the prime source of wildlife management revenue, GFD continuously works with partners to introduce new people to hunting, fishing and the outdoors. Aside from a small general fund reimbursement, the Game and Fish budget is completely independent of state funding after several years of budget cuts. Currently, the Game and Fish Commission does not have authority to change fees for licenses. 	<ul style="list-style-type: none"> Continue advocacy and engagement with the Legislature to provide pricing oversight abilities to the Game and Fish Commission to support long-term revenue growth.

Game & Fish Department - Observations & Recommendations

	Observations	Recommendations
Single Platform Licensing for all Wildlife and Recreation Activities	<ul style="list-style-type: none"> Online licensees for hunting, fishing, and conservation stamps, are available for purchase via the Game and Fish Department website. All State Park permits and campsite and facility reservations are available for purchase via the State Parks & Cultural Resources website. 	<ul style="list-style-type: none"> Engage the Outdoor Recreation portal to consolidate recreational licensing purchasing within a single platform, further enhancing customer experience.
Safety Initiatives	<ul style="list-style-type: none"> GFD coordinates with the Department of Workforce Services to provide safety training to all employees that manage heavy equipment. 	<ul style="list-style-type: none"> Continue to engage Wyoming Occupational Safety and Health Administration (OSHA) to provide safety plans for all GFD facilities and for all employees managing heavy equipment.
Law Enforcement	<ul style="list-style-type: none"> GFD has roughly 85 law enforcement officers. These officers are responsible for enforcing the state's hunting, fishing, trapping, boating, and general wildlife laws. In 2017, the law enforcement team issued 1,798 citations. 	<ul style="list-style-type: none"> Evaluate options to consolidate Law Enforcement activities of Game & Fish, Department of Transportation and State Parks and Cultural Resources to streamline wildlife and recreational facing safety duties.
Facility Maintenance	<ul style="list-style-type: none"> The Department is responsible for the maintenance of its eight regional offices, 70 houses, 10 fish hatcheries, and additional research centers. Though the general oversight of maintenance takes place in Cheyenne, the regional directors are responsible for specific offices. In Cheyenne, the Department has multiple FTEs that support maintenance. Regional offices contract out the majority of maintenance work. Large capital projects are managed in partnership with the State Construction Department. 	<ul style="list-style-type: none"> Engage the State Construction Department to migrate all facility information and schedules into the AiM system. Continue to drive accountability of maintenance operations through the leadership of regional directors.

Game & Fish Department - Observations & Recommendations

	Observations	Recommendations
Fleet Management	<ul style="list-style-type: none">• Currently, the Game & Fish Department has its own fleet of roughly 600 vehicles including over 150 specialized vehicles such as ATVs, Snowmobiles, and Boats. GFD uses motor pool services through A&I to provide scheduled maintenance and repairs for its fleet.	<ul style="list-style-type: none">• Evaluate the business case to utilize WYDOT's vehicle service network to minimize maintenance costs.

APPENDIX D: Organizational Line of Service Agency Review Details

Agencies Identified for Detailed Line of Service Review

The A&M Team identified the following agencies for a more detailed review based on budget, preliminary review of services, and complexity of current agency structure.

Department	Mission	FY18 Budget	Total Permanent Personnel	Total Supervisors	Span of Control Ratio	% Employees in Cheyenne	Total Department Offices
Department of Administration & Information	To support a diverse customer base by providing superior services, essential information, and systems.	\$ 825,483,113	208	54	3.9	95%	1
State Auditor's Office	One of the five elected officials for the state of Wyoming, the State Auditor serves as the chief comptroller and payroll officer. The Auditor protects public money by ensuring that it is properly accounted for in the most efficient and cost effective means at all times. Promoting transparency and financial accountability are the Auditor's top priorities.	\$ 21,748,350	25	6	4.2	100%	1
Department of Revenue & Taxation	The Department of Revenue applies the tax laws of the state fairly and equitably to all taxpayers by valuing property, collecting taxes, and distributing those values and taxes timely to all the governmental units of Wyoming. In addition, the Department's Liquor Division distributes wine and spirits to retailers in the state and enforces the liquor control laws of the state.	\$ 227,252,593	114	27	4.2	91%	8

Agencies Identified for Detailed Line of Service Review (Cont.)

The A&M Team identified the following agencies for a more detailed review based on budget, preliminary review of services, and complexity of current agency structure.

Department	Mission	FY18 Budget	Total Permanent Personnel	Total Supervisors	Span of Control Ratio	% Employees in Cheyenne	Total Department Offices
Department of Audit	The Department is responsible for the regulation of financial institutions, including auditing public agencies and local governments. The Department is also responsible for conducting audits of federal and state mineral royalties, state mineral and excise taxes, and for coordinating auditing matters.	\$ 23,573,586	105	16	6.6	91%	4
State Construction Department	The State Construction Department oversees the construction, renovation and major maintenance of state-owned buildings and community colleges. The division also reviews and evaluates the acquisition and sale of property for State Agencies. The School Facilities Division assists school districts in the assessing, planning, financing, construction and maintenance of educational facilities across Wyoming.	\$ 389,330,618	29	11	2.6	N/A	N/A
Department of Corrections	The Wyoming Department of Corrections contributes to public safety by exercising reasonable, safe, secure and humane management, while actively providing offenders opportunities to become law-abiding citizens.	\$ 276,690,729	1228	213	5.8	7%	25

Agencies Identified for Detailed Line of Service Review (Cont.)

The A&M Team identified the following agencies for a more detailed review based on budget, preliminary review of services, and complexity of current agency structure.

Department	Mission	FY18 Budget	Total Permanent Personnel	Total Supervisors	Span of Control Ratio	% Employees in Cheyenne	Total Department Offices
Department of Workforce Services	As public servants, we work hard every day to help ensure safe and fair workplaces with qualified workers.	\$ 162,961,832	552	85	6.5	41%	19
Department of Education	Create opportunities for students to keep Wyoming strong: to significantly increase the percentage of Wyoming students that are college, career, and military ready by 2020.	\$ 1,756,209,629	113	30	3.8	86%	5
Department of Health	The mission of the Wyoming Department of Health is to promote, protect, and enhance the health of all Wyoming residents.	\$ 1,860,956,859	1383	247	5.6	24%	28
Department of Family Services	The Department of Family Services promotes the safety, well-being and self-sufficiency of families through community partnerships. Local DFS offices can help qualifying families with supplemental nutrition assistance (SNAP), child support program, Medicaid, child care assistance and other needed services.	\$ 268,240,221	707	123	5.7	20%	29

Agencies Identified for Detailed Line of Service Review (Cont.)

The A&M Team identified the following agencies for a more detailed review based on budget, preliminary review of services, and complexity of current agency structure.

Department	Mission	FY18 Budget	Total Permanent Personnel	Total Supervisors	Span of Control Ratio	% Employees in Cheyenne	Total Department Offices
Department of Transportation	WYDOT is committed to building a better transportation system for the traveling public.	\$ 217,686,556	2054	426	4.8	38%	66
Game & Fish Department	The Game and Fish Department provides an adequate and flexible system of control, propagation, management and protection and regulation of all wildlife in Wyoming.	\$ 81,572,618	406	93	4.4	22%	56
State Parks & Cultural Resources	The Wyoming Department of State Parks and Cultural Resources provides the state's citizens and visitors a variety of opportunities to enjoy Wyoming's arts, parks and history. Wyoming's state parks, historic sites and state trails program offer abundant recreational and educational opportunities.	\$ 53,788,277	173	57	3.0	41%	20

APPENDIX E: Consolidated Boards & Commissions Details

Recommendations to Consolidate Boards & Commissions

A&M identified boards where shared areas of expertise, policy coordination, regulatory compliance and functional responsibility could drive synergies through consolidation.

Consolidated Board or Commission	Current Boards and Commissions	
Agriculture	<ul style="list-style-type: none"> • Agriculture and Natural Resource Mediation Board • Beef Council • Board of Agriculture • Brucellosis Task Force 	<ul style="list-style-type: none"> • Dry Bean Commission • Food Safety Council • Livestock Board • Wheat Marketing Commission
Arts & Culture	<ul style="list-style-type: none"> • Arts Council • Cultural Trust Fund Board • Historical Records Advisory Boards • Humanities Council 	<ul style="list-style-type: none"> • Museum of Military Vehicles • Public Television Council • Serve Wyoming Commission • State Fair Board
Athletics & Training	<ul style="list-style-type: none"> • Mixed Martial Arts 	<ul style="list-style-type: none"> • Physical Fitness and Sports
Commerce	<ul style="list-style-type: none"> • Blockchain Task Force • Business Council Board of Directors • Business Council CEO • Community Development Authority • Economically Needed Diversity Options for WY • Employment First Taskforce 	<ul style="list-style-type: none"> • Main Street Advisory Board • Pari-Mutuel Commission • Tourism Board • Workforce Department Council • Wyoming Lottery Commission
Correction and Probation Services	<ul style="list-style-type: none"> • Correctional Industries Advisory Board • Court Security Commission • Interstate Compact for Adult Offender Supervision 	<ul style="list-style-type: none"> • Parole • Peace Officers Standards and Training Commission
Early Childhood Services	<ul style="list-style-type: none"> • Child Care Certification Board • Early Childhood State Advisory Council 	<ul style="list-style-type: none"> • Early Intervention Council • Interagency Children’s Collaborative

Recommendations to Consolidate Boards & Commissions

A&M identified boards where shared areas of expertise, policy coordination, regulatory compliance and functional responsibility could drive synergies through consolidation.

Consolidated Board or Commission	Current Boards and Commissions	
Educational Accountability	<ul style="list-style-type: none"> • Education Accountability Advisory Panel • Education Commission of the States • Educational Attainment Executive Council 	<ul style="list-style-type: none"> • Professional Teaching Standards Board
Employee Services	<ul style="list-style-type: none"> • Employee Compensation Commission • Health Benefits Plan Committee • Occupational Health and Safety Commission • Workers' Compensation Medical Commission 	<ul style="list-style-type: none"> • Wyoming Health Insurance Pool • Unemployment Insurance Commission
Energy	<ul style="list-style-type: none"> • Enhanced and Improved Oil Recovery Commission • Industrial Siting Council 	<ul style="list-style-type: none"> • Infrastructure Authority • Oil and Gas Conservation Commission • Pipeline Authority
Environment Quality	<ul style="list-style-type: none"> • Air Quality Advisory Board • Air Quality Small Business Compliance Advisory Panel 	<ul style="list-style-type: none"> • Environmental Pesticide Control Board of Certification • Environmental Quality Council • Land Quality Advisory Board
Equalization and Taxes	<ul style="list-style-type: none"> • Board of Equalization 	<ul style="list-style-type: none"> • Taskforce of Mineral Taxes
Geology	<ul style="list-style-type: none"> • Geological Survey Board 	<ul style="list-style-type: none"> • GIS Advisory Board
Human Services	<ul style="list-style-type: none"> • Behavioral Health Advisory Council • Council on Developmental Disabilities • Developmental Disabilities Division Advisory Council 	<ul style="list-style-type: none"> • Independent Living Council • Opioid Addiction Task Force • Rehabilitation Council

Recommendations to Consolidate Boards & Commissions

A&M identified boards where shared areas of expertise, policy coordination, regulatory compliance and functional responsibility could drive synergies through consolidation.

Consolidated Board or Commission	Current Boards and Commissions	
Health & Medicine	<ul style="list-style-type: none"> • Department of Health Facilities Joint Legislative and Executive Task Force • Organ, Eye & Tissue Donation Task Force 	<ul style="list-style-type: none"> • Wyoming Advisory Committee on Emergency Medical Services and Trauma
Health Professions Licensing	<ul style="list-style-type: none"> • Acupuncture • Athletic Training • Chiropractic Examiners • Coroner Standards • Dental Examiners • Dietetics Licensing Board • Funeral Practitioners • Hearing Aid Specialists • Medicine • Mental Health Professions Licensing Board • Midwifery • Nursing 	<ul style="list-style-type: none"> • Nursing Home Administrators • Occupational Therapy • Optometry Examiners • Palliative Care • Pharmacy • Physical Therapy • Podiatry • Psychology • Radiologic Technologists Examiners • Respiratory Care • Speech Pathology & Audiology • Veterinary Medicine
Higher Education	<ul style="list-style-type: none"> • Task Force on UW Housing • UW Science Initiative Task Force Title 25 	<ul style="list-style-type: none"> • Western Interstate Commission for Higher Education
Judicial	<ul style="list-style-type: none"> • Judicial Conduct and Ethics • Judicial Nominating Commission 	<ul style="list-style-type: none"> • Uniform State Laws Commission
Mining	<ul style="list-style-type: none"> • Miners' Hospital Board • Energy Resources Council • Interstate Oil and Gas Compact Commission • Mine Inspector 	<ul style="list-style-type: none"> • Mining Compact Commission • Interstate Mining Compact Commission

Recommendations to Consolidate Boards & Commissions

A&M identified boards where shared areas of expertise, policy coordination, regulatory compliance and functional responsibility could drive synergies through consolidation.

Consolidated Board or Commission	Current Boards and Commissions	
Public Safety	<ul style="list-style-type: none"> • Fire Prevention & Electrical Safety in Buildings • Public Safety Communications Commission • Emergency Response Commission • Impaired Driving 	<ul style="list-style-type: none"> • Search and Rescue Council • Volunteer Firefighter and EMT Pension Account Board
Professional Licenses	<ul style="list-style-type: none"> • Barber Examiners • Board of Architects and Landscape Architects • Board of Certified Public Accountants • Collection Agency Boards • Cosmetology • Professional Engineers and Professional Land Surveyors • Mining Council • Professional Geologists 	<ul style="list-style-type: none"> • Insurance Agents' Examiners • State Board of Examining for Water Well Drilling Contractors and Water Well Pump Installation Contractors • Electrical Board • Outfitters and Professional Guides • Real Estate Commission • Real Estate Appraisers Board
State Capital Projects	<ul style="list-style-type: none"> • Advisory Task Force Capitol Building Rehabilitation and Restoration • Capitol Building rehabilitation and Restoration Project Oversight Group 	<ul style="list-style-type: none"> • Casper State Office Building – Appropriation & Advisory Task Force • School Facilities Commission • State Building Commission
Senior Services	<ul style="list-style-type: none"> • Elder and Vulnerable Adult Task Force 	<ul style="list-style-type: none"> • Senior Services Board
State Lands & Investments	<ul style="list-style-type: none"> • Board of Geographic Names • Investment Fund Committee • Investment Funds Selection Team 	<ul style="list-style-type: none"> • State Board of Land Commissioners • State Land Exchange Advisory Panel • State Loan and Investment Board

Recommendations to Consolidate Boards & Commissions

A&M identified boards where shared areas of expertise, policy coordination, regulatory compliance and functional responsibility could drive synergies through consolidation.

Consolidated Board or Commission	Current Boards and Commissions	
State Parks & Cultural Resources	<ul style="list-style-type: none"> Parks and Cultural Resources Commission 	<ul style="list-style-type: none"> Trails Council
Technology	<ul style="list-style-type: none"> Information Technology Policy Council Task Force on Digital Information Privacy 	<ul style="list-style-type: none"> Telecommunications Relay System Advisory Committee
Transportation	<ul style="list-style-type: none"> Transportation Commission Commercial Air Service Improvement Council County Road Standards Committee 	<ul style="list-style-type: none"> Aeronautics Commission Bicycle and Pedestrian System Task Force
Water	<ul style="list-style-type: none"> Board of Control – State Engineers Office Bear River Commission Colorado River Basin Salinity Control Advisory Council Ground Water Advisory Committee 	<ul style="list-style-type: none"> Non-Point Source Task Force Platte River Recovery Implementation Program Water and Waste Advisory Board Water Development Commission
Wildlife	<ul style="list-style-type: none"> Animal Damage Management Board Fish and Wildlife Resources Task Force Game and Fish Commission 	<ul style="list-style-type: none"> Sage Grouse Implementation Board Wildlife and Natural Resource Trust Account Board
Youth Services	<ul style="list-style-type: none"> State Advisory Council on Juvenile Justice Military Interstate Children’s Compact Commission 	<ul style="list-style-type: none"> Family Services Advisory Council Children’s Trust Fund Board

Recommendations to Consolidate Boards & Commissions

A&M identified boards where shared areas of expertise, policy coordination, regulatory compliance and functional responsibility could drive synergies through consolidation.

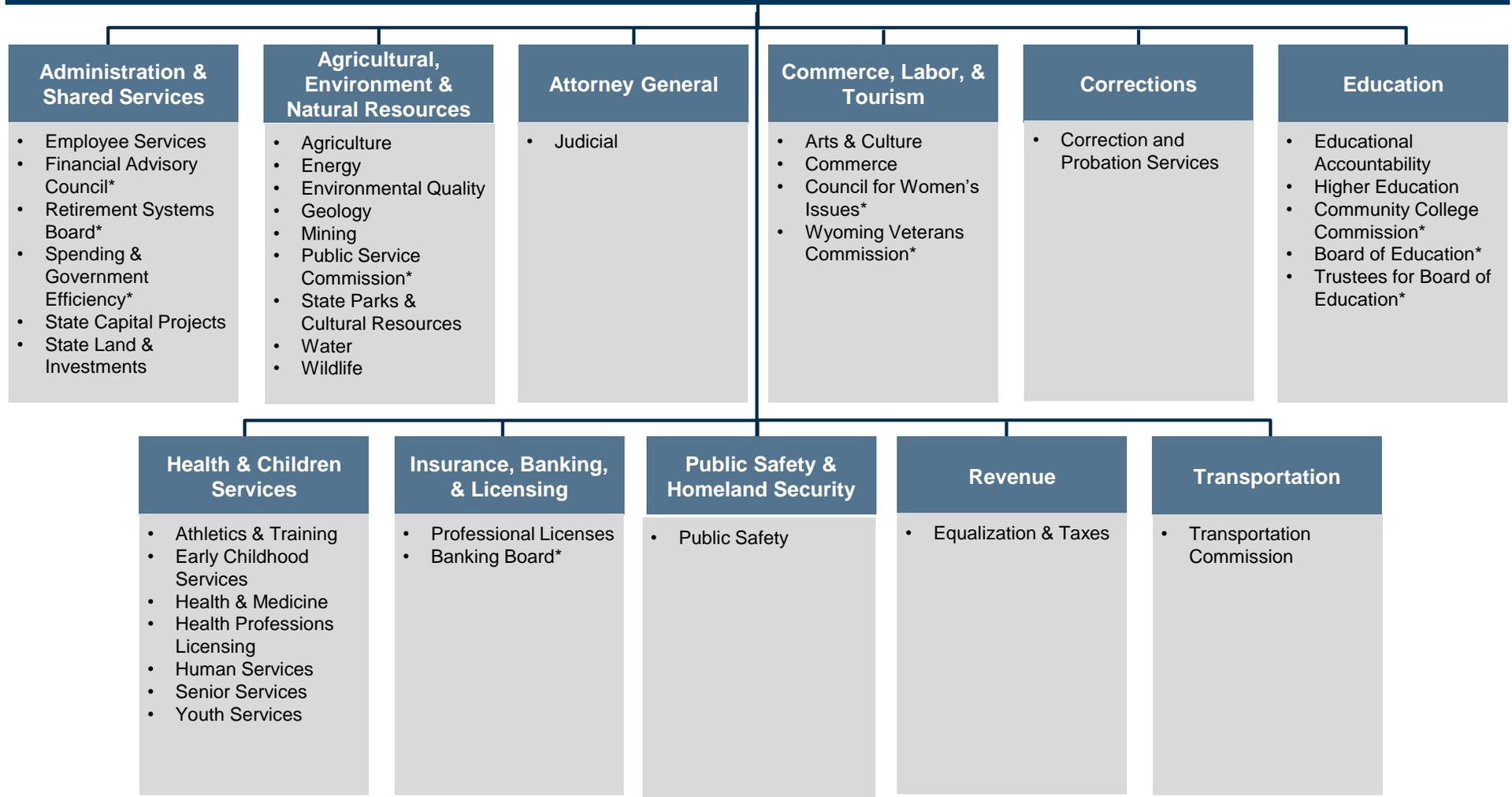
Boards and Commissions Not Identified for Consolidation

- | | |
|---|---|
| <ul style="list-style-type: none">• Banking Board• Community College Commission• Council for Women's Issues• Board of Education• Financial Advisory Council | <ul style="list-style-type: none">• Public Service Commission• Retirement Systems Board• Spending & Government Efficiency Commission• Trustees for the University of Wyoming• Wyoming Veterans Commission |
|---|---|

APPENDIX F: Governor's Cabinet Structure for Consolidated Boards & Commissions

Cabinet Structure for Boards & Commissions

Governor Cabinet Offices Associated Boards & Commissions



NOTE: Boards not identified for consolidation are indicated with an asterisk (*).

APPENDIX G: Organizational Line of Service Additional Agency Benchmark Details

State Construction Department - Benchmarks

Construction Function Comparison

State, Primary Construction Entity	Function of Primary Construction Entity
Wyoming, SCD	The Construction Management Division oversees the construction, renovation and major maintenance of state-owned buildings and community colleges. The division also reviews and evaluates the acquisition and sale of property for state agencies.
Colorado, Department of Personnel & Administration	The Office of the State Architect (OSA) is statutorily responsible for the administration of state funded planning, construction, energy conservation and real estate transactions at state agencies and institutions of higher education. Additional responsibilities include: establishing policies and procedures, providing technical support and training, recommending the annual controlled maintenance statewide budget and state agency capital construction budget requests to the Governor’s Office of State Planning and Budgeting and the Capital Development Committee of the general assembly. Capitol Complex Facilities Management (Capitol Complex) supports state agencies with full-service facilities management, and provides the public with special event permits, ceremonial flags, and information resources. The Capitol Complex team maintains the State Capitol, the Governor’s Mansion, and other state buildings with routine maintenance, plumbing, HVAC, electrical, custodial, and ground maintenance.
Idaho, Department of Administration	The Division of Public Works is responsible for the contracting of design and construction services for public works projects for state owned facilities for numerous state agencies. The Division of Public Works (DPW) oversees statewide facilities management and construction in the various aspects of building, remodeling, maintaining, and leasing state buildings. Additional services such as security and grounds and building maintenance, are also offered within the Capitol Mall. The Permanent Building Fund Advisory Council may pay all or part of the costs for qualifying construction projects. These funds can be used for construction projects involving new or existing buildings. The Leasing and Property team assists state agencies in acquiring competitively-priced space to meet agency objectives, resolve facility issues and project facility needs, and notify state agencies of lease expiration dates so that a timely process of renewal or acquisition can be accomplished.
Montana, Department of Administration	The Architecture & Engineering Division assists agencies and citizens of Montana in the design and construction of quality facilities, repairs and alterations of existing facilities, and planning for their governmental and university system needs.

State Construction Department - Benchmarks

Construction Function Comparison, Continued

State, Primary Construction Entity	Function of Primary Construction Entity
<p>North Dakota, Department of Management & Budget</p>	<p>Not Publicly Provided</p> <ul style="list-style-type: none"> Note: there is a boiler inspection program within the Insurance Department.
<p>South Dakota, Bureau of Administration</p>	<p>The Office of the State Engineer provides services for the State in three areas:</p> <ul style="list-style-type: none"> Managing the construction process for all new construction, excluding highway construction. Managing the South Dakota statewide maintenance and repair program. Providing technical assistance and advice to Physical Plant Directors on matters beyond their in-house capability.
<p>Utah, Department of Administrative Services</p>	<p>The Division of Facilities Construction and Management (DFCM) has statewide oversight responsibilities for all owned and occupied facilities. Responsibilities include all aspects of construction, maintenance, energy efficiency, and real estate services.</p>
<p>New Mexico, Department of General Services</p>	<p>To provide exceptional design, construction, operation and maintenance of state-owned assets and leased facilities. To provide clean, safe, energy-efficient work environments for employees and customers and to support the sustainability, energy efficiency, and capital improvement of state facilities. The Facilities Management Division (FMD) maximizes existing resources to maintain, clean, operate and improve buildings, and preserve the grounds and premises of executive branch facilities under FMD jurisdiction located within the boundaries of the City of Santa Fe. Statewide, FMD is also responsible for asset management of more than 6.8 million square feet of space in over 750 buildings with an estimated replacement value of nearly \$1.5 billion. The Division also leases 2.7 million square feet of privately owned space for state agencies with payable rent of \$48 million dollars annually.</p>

State Auditor's Office - Benchmarks

State Audit Agency Structures Comparison

State	State Function
<p>Wyoming</p>	<p>The office of the State Auditor has existed since Wyoming's territorial days, and has been a constitutional position since Wyoming's statehood. One of the five elected officials for the state of Wyoming, the State Auditor serves as the chief comptroller and payroll officer. The Auditor protects public money by ensuring that it is properly accounted for in the most efficient and cost effective means at all times. Promoting transparency and financial accountability are the Auditor's top priorities.</p> <p>The State Auditor maintains Wyoming's uniform computer accounting system or WOLFS (Wyoming Online Financial System). WOLFS provides agencies the means to process all payments made by the state and assists agencies in accounting for public money. The system also processes paychecks for State employees each month, including patient and inmate workers in the State's institutions, legislators, judges, board members and members of the Wyoming National Guard.</p> <p>The Comprehensive Annual Financial Report of the State of Wyoming (CAFR) is produced by the Auditor's office annually. This report illustrates the state's financial condition for the public and the Legislature. For twenty-one consecutive years, Wyoming's CAFR has been recognized by the Government Finance Officers Association for its excellence in financial reporting.</p>

State Auditor's Office - Benchmarks

State Audit Agency Structures Comparison, Continued

State	State Function
Colorado	The OSA is a nonpartisan agency in Colorado's Legislative Branch. Their performance, financial, and IT audits provide the General Assembly, agencies, and the public with thorough, credible, and impartial assessments of the operation of state programs and the use of state and federal funds. Their audits provide solution-based recommendations that focus on reducing costs, increasing efficiency, promoting the achievement of legislative intent, improving effectiveness of programs and the quality of services, ensuring transparency in government, and ensuring the accuracy and integrity of financial and other information that decision makers need to hold government agencies accountable for the use of public resources.
Idaho	The Legislative Audits Division of the Legislative Services Office, under the direction of the Legislative Council, is charged with the responsibility to audit the State of Idaho's Comprehensive Annual Financial Report (CAFR), perform the Statewide Single Audit for federal funds expended, and perform management reviews of each executive department of state government at least once in a three year period. The Audits Division is also the administrator of the Local Government Registry which includes maintaining an online portal for local governing entities to register, provide administrative and financial information, and submit required audit reports in accordance with Idaho Code Section 67-4508-E.
Montana	One of the smallest agencies in Montana's state government, the Office of the Montana State Auditor, Commissioner of Securities and Insurance (CSI) regulates two of the state's largest industries: insurance and securities. Commissioner Matt Rosendale is committed to protecting Montanans from fraud and scams related to insurance and investments. They are the state government regulator of the insurance and securities industries and advocate for the citizens of Montana. The Office of the Montana State Auditor, Commissioner of Securities and Insurance (CSI) is a criminal justice agency that protects Montana's consumers by ensuring fairness, transparency and access for Montanans in two of Montana's largest industries — securities and insurance.
New Mexico	The mission of the State Auditor is to root out corruption and prevent waste of tax dollars. They do annual audits of state and local government agencies, along with special audits and special investigations when corruption, fraud or waste is suspected. Their 24-hour tip line is available for you to report abuses of government funds. *In accordance with the Audit Act, §§ 12-6-1 to 12-6-14, NMSA 1978, the Office has two statutory purposes: (1) to ensure that the financial affairs of every agency shall be thoroughly examined and audited each year by the state auditor, personnel of the state auditor's office designated by the state auditor or independent auditors approved by the state auditor and (2) cause the financial affairs and transactions of an agency to be audited in whole or in part. Section 12-6-3, NMSA 1978. These two statutory purposes grant the State Auditor the authority to conduct both financial and special audits.

State Auditor's Office - Benchmarks

State Audit Agency Structures Comparison, Continued

State	State Function
Utah	Provide Utah taxpayers and government officials with an independent assessment of financial operation, statutory compliance, and performance management for state and local government.
Missouri	<p>The State Auditor's Office works to ensure the proper use of public funds and to improve the efficiency and effectiveness of Missouri government by performing audits of state agencies, boards and commissions, the circuit court system, the counties in Missouri that do not have a county auditor, and other political subdivisions upon petition by the voters. These audits examine financial accountability, waste, opportunities for fraud, and whether government organizations and programs are achieving their purposes and operating economically and efficiently. All audits are performed in accordance with generally accepted government auditing standards issued by the Comptroller General of the United States. The State Auditor also provides an annual audit of the state's comprehensive annual financial report and federal grant programs administered by the state, reviews and registers general obligation bond issues of the state's political subdivisions, prepares fiscal notes for ballot initiatives, performs an Annual Forfeiture Report, and reviews property tax rates proposed by political subdivisions for compliance with state law.</p>
Washington	<p>Their audits look at financial information and compliance with state, federal and local laws on the part of all local governments, including schools, and all state agencies, including institutions of higher education. In addition, they:</p> <ul style="list-style-type: none"> • Perform special investigations of fraud and Whistleblower cases and referrals from Citizen Hotline. • Conduct performance audits of state agencies and local governments. • Produce several annual reports addressing state, local and internal matters. • Take role as partners in accountability seriously. Provide training and technical assistance to government organizations and have an extensive program to coordinate. • Audit efficiency and to ensure high-quality audits.
Louisiana	<p>Their purpose is to help ensure that government is responsive to the needs of the people of Louisiana – a government that is accountable, efficient, and effective. As one of the Legislature's most objective resources, they provide independent assessment and proactive guidance, resulting in accurate reporting of the fiscal condition and performance of government and the sources and uses of its financial resources. They are an excellent resource in matters ranging from local fiscal issues to the State's Comprehensive Annual Financial Report (CAFR).</p>

State Auditor's Office - Benchmarks

State Audit Agency Structures Comparison, Continued

State	State Function
<p>South Dakota</p>	<p>The State Auditor is a separately elected and constitutionally independent office holder who deals with all of state government. This includes each agency, office, division, department and every individual employee, either through the payment of reimbursable expenses or the payroll process. The independence of the office is guaranteed by the constitution and is subsequently answerable to the South Dakota electorate. The State Auditor serves as the taxpayers' watchdog. It is the State Auditor who scrutinizes the manner in which state tax dollars are being spent. Simply stated, the Office of State Auditor is constitutionally the office of "checks and balances" of state government.</p> <p>To pre-audit all claims against the state, issue warrants, administer state employee payroll, record and monitor all fund balances and all fund transfers; to reconcile fund balances and submit numerous reports to agencies on the state's financial condition as set forth by the rules of the State Auditor, the State Board of Finance, and of other state agencies; to deposit with the Internal Revenue Service, the social security and federal income taxes withheld from employees of the state of South Dakota and the state universities in a proper and timely manner; to audit and correct all wage data and social security records of the employees of the state of South Dakota, state universities, and 740 governmental subdivisions, including counties, cities, school districts, townships and water districts; and, to serve as a repository for W-2s for state employees.</p>
<p>North Dakota</p>	<p>Produce informative audits to improve government. A diverse team committed to generating greater value for the taxpayers. North Dakota State Auditor also performs royalty audits.</p>

ADDENDUM B: Efficiency Project Bridge / Waterfall Charts

Bridge Charts

1

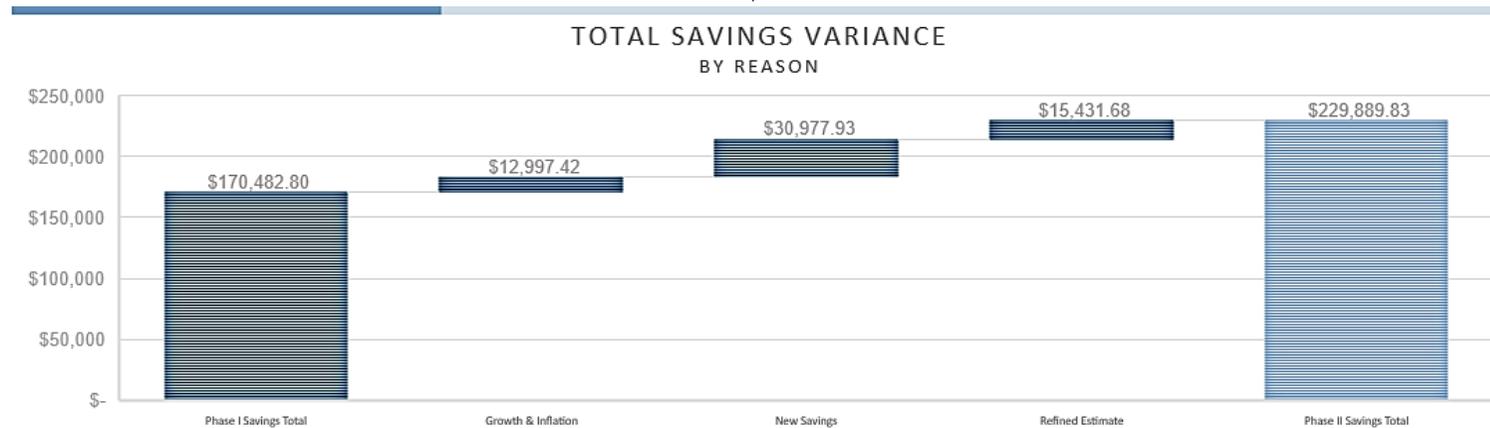
Bridge Charts:

To illustrate the difference in Phase I and Phase II estimates, we have created bridge charts for total savings and each workstream.

3

Phase II Savings/Investment:

Represents the amount of biennium general fund savings or investment that A&M estimated in Phase II. For Phase II, A&M estimates **\$229.9M** in savings on average.



2

Phase I Savings/Investment:

Represents the amount of biennium general fund savings or investment that A&M estimated in Phase I. For Phase I, A&M estimates **\$170.5M** in savings on average.

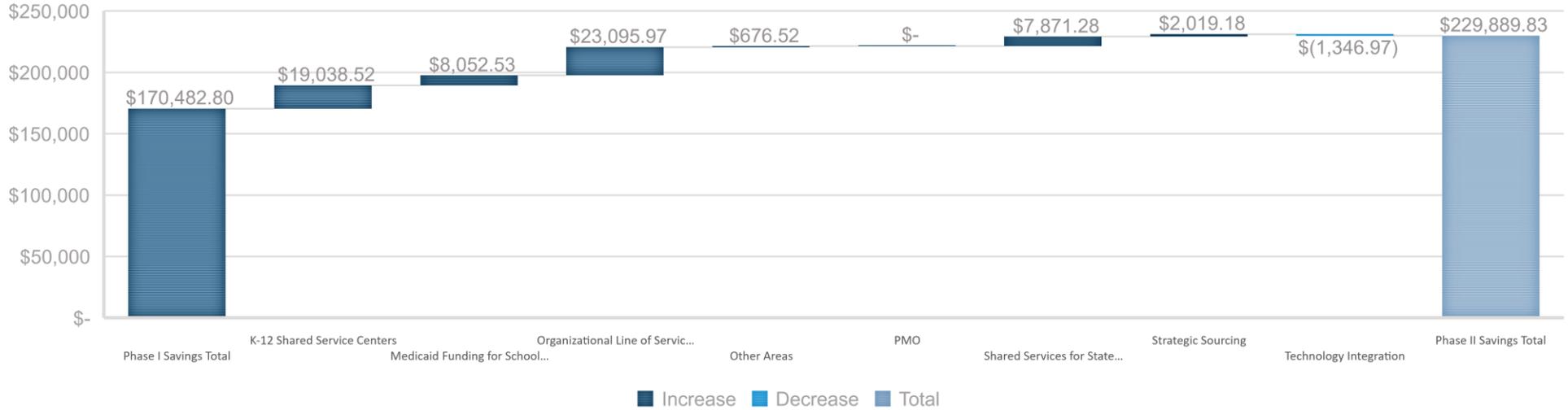
4

Variance:

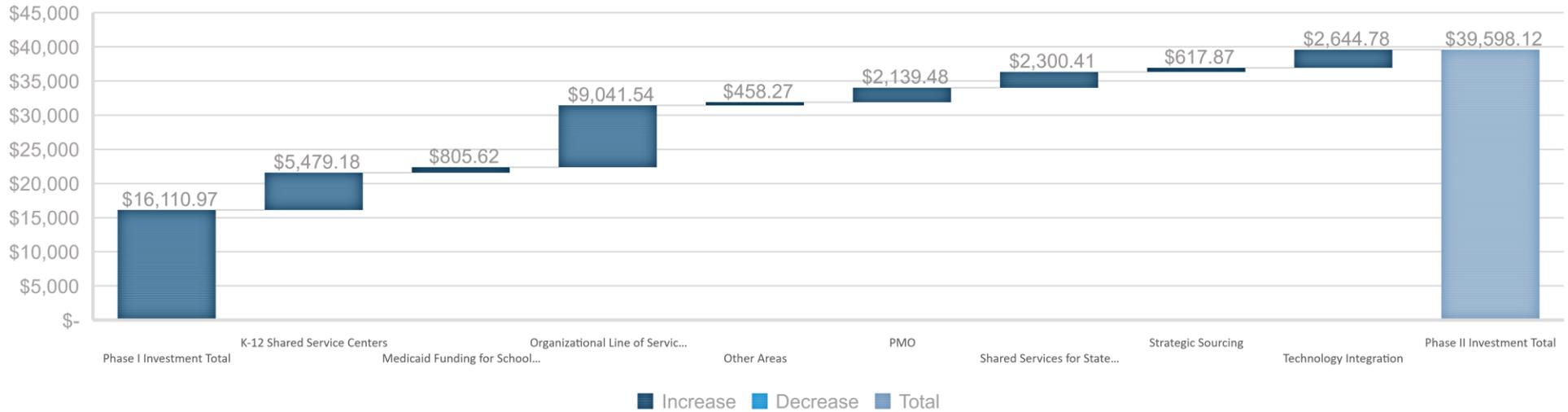
Represents the individual components that make up (or “bridge”) the difference between the Phase I and Phase II savings or investment. For each the total and each workstream we have given two bridge charts – one that breaks it down by **recommendation**, the other by **reason** for the variance.

Total Investment and Savings Variance by Workstream

TOTAL SAVINGS VARIANCE
BY WORKSTREAM

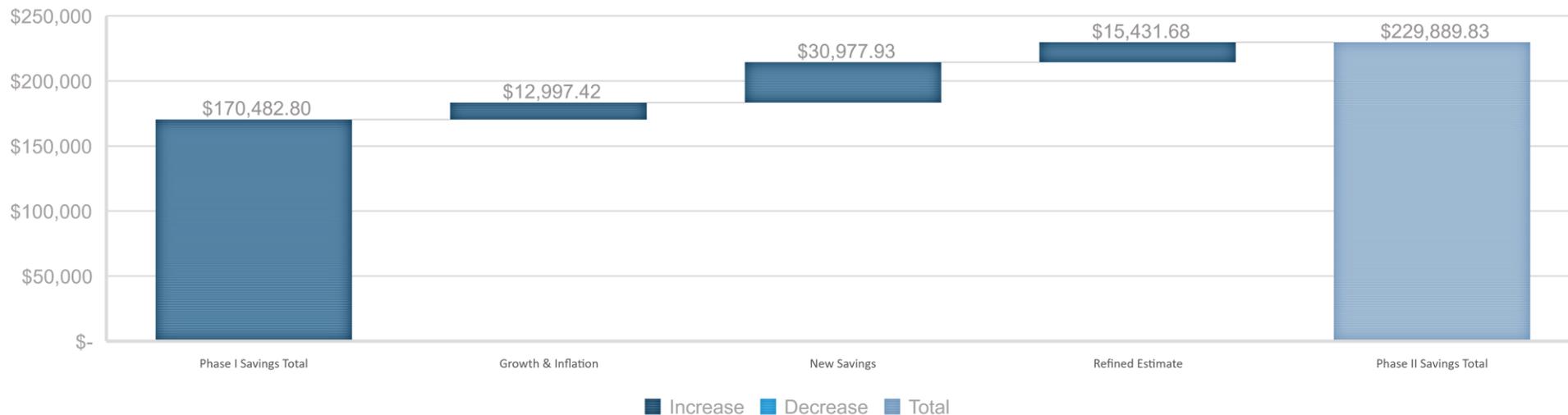


TOTAL INVESTMENT VARIANCE
BY WORKSTREAM



Total Investment and Savings Variance by Reason

TOTAL SAVINGS VARIANCE
BY REASON



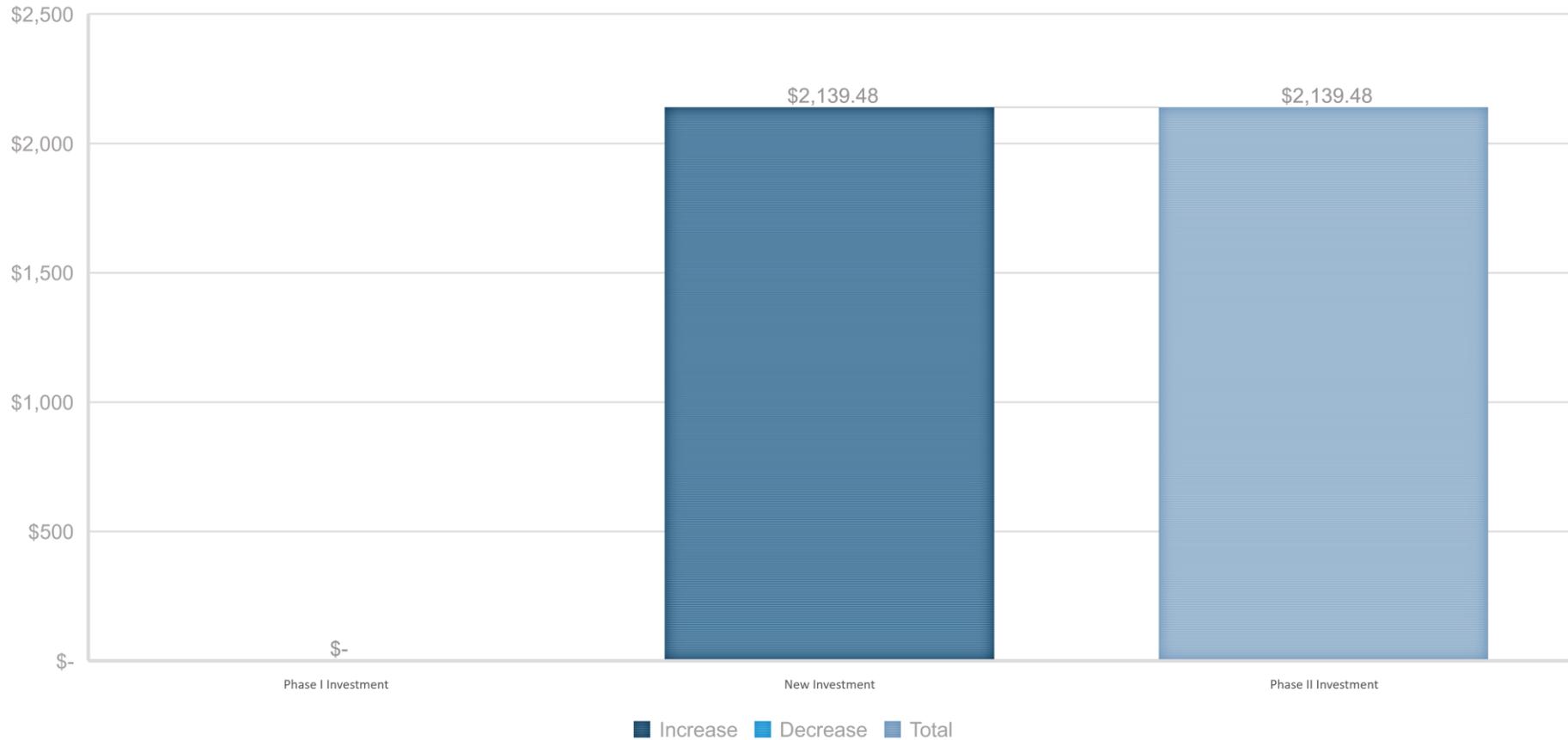
TOTAL INVESTMENT VARIANCE
BY REASON



PMO INVESTMENT VARIANCE BY RECOMMENDATION

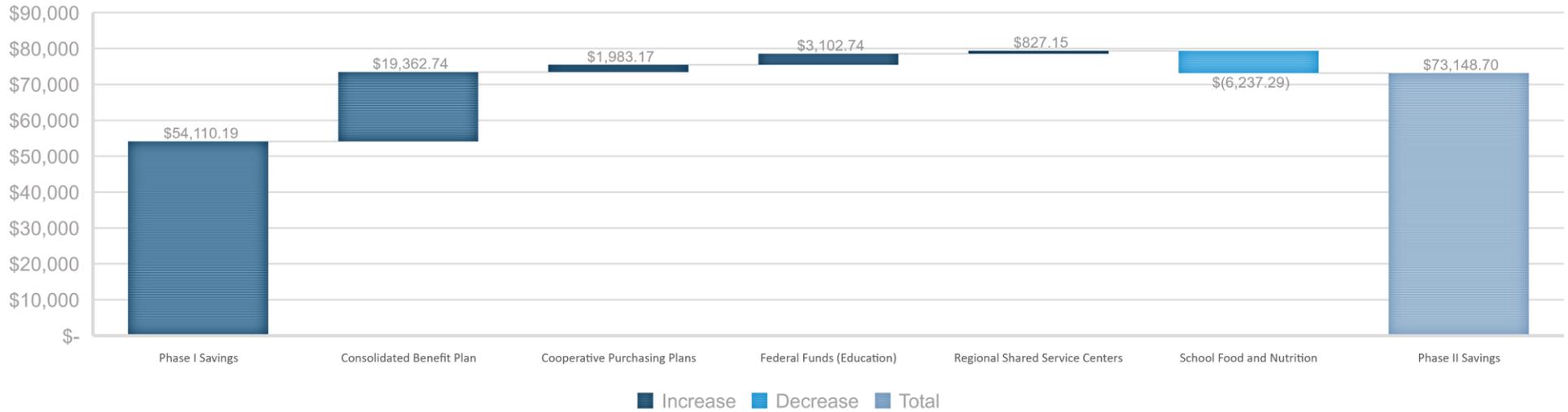


PMO INVESTMENT VARIANCE BY REASON



K-12 Shared Service Centers

K-12 SHARED SERVICE CENTERS SAVINGS VARIANCE BY RECOMMENDION

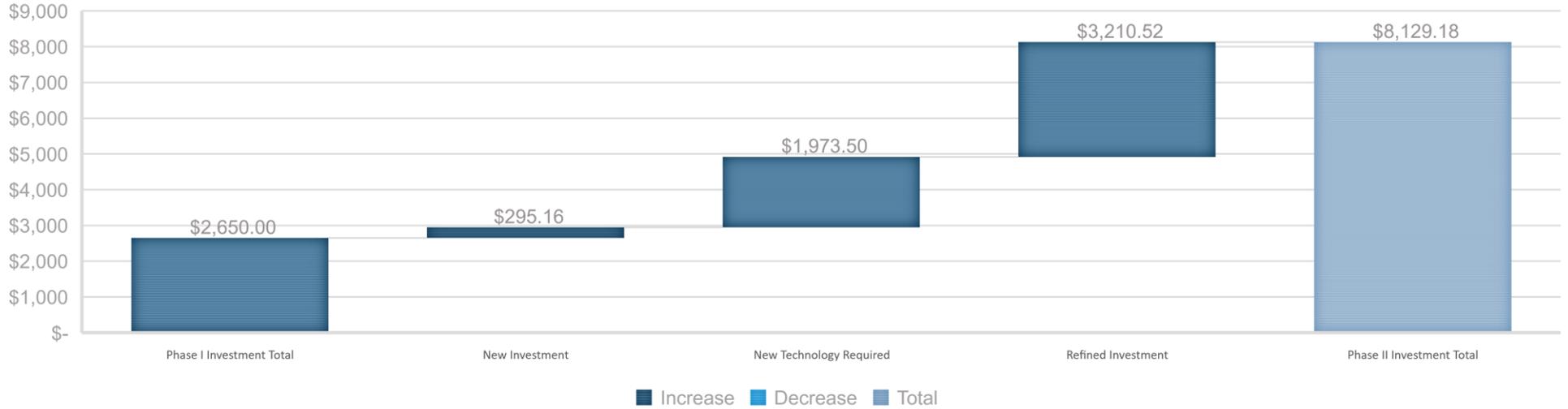


K-12 SHARED SERVICE CENTERS INVESTMENT VARIANCE BY RECOMMENDION

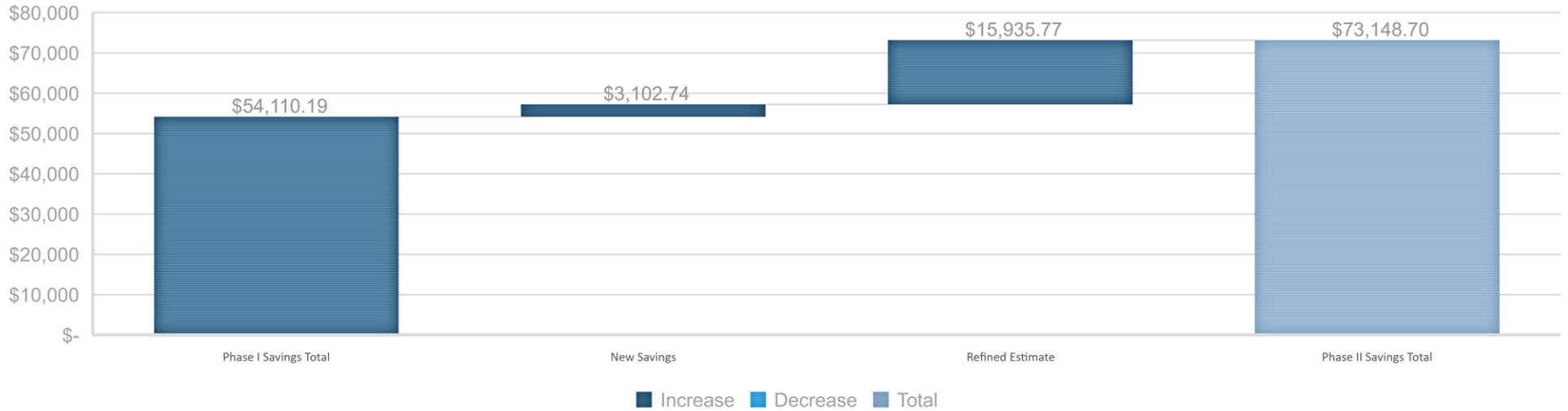


K-12 Shared Service Centers

INVESTMENT VARIANCE
BY K-12 REGIONAL SHARED SERVICES CENTERS

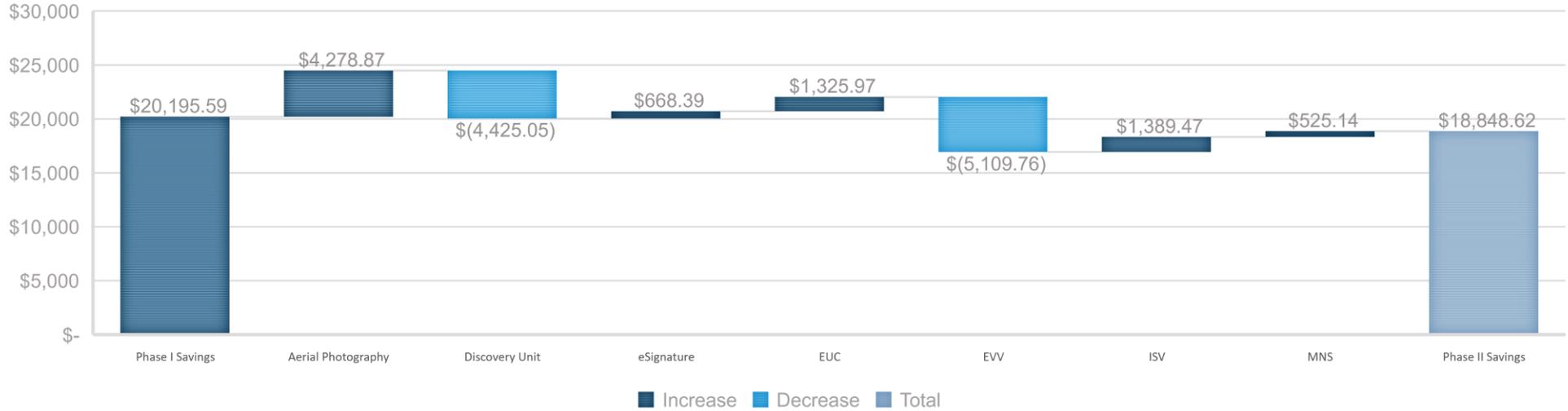


INVESTMENT VARIANCE
BY K-12 REGIONAL SHARED SERVICES CENTERS

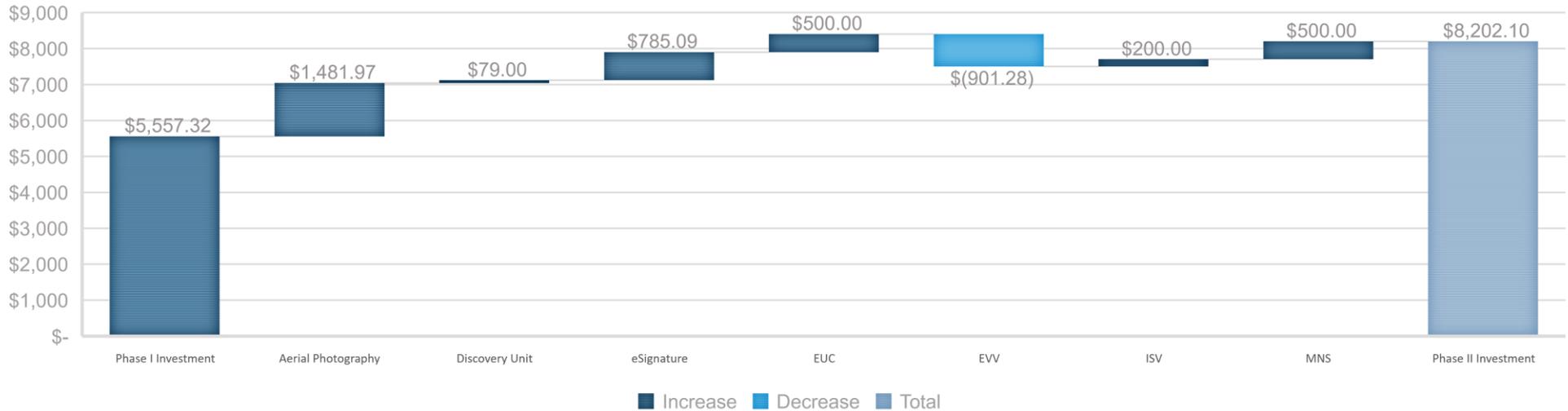


Technology Integration

TECHNOLOGY INTEGRATION SAVINGS VARIANCE
BY RECOMMENDATION

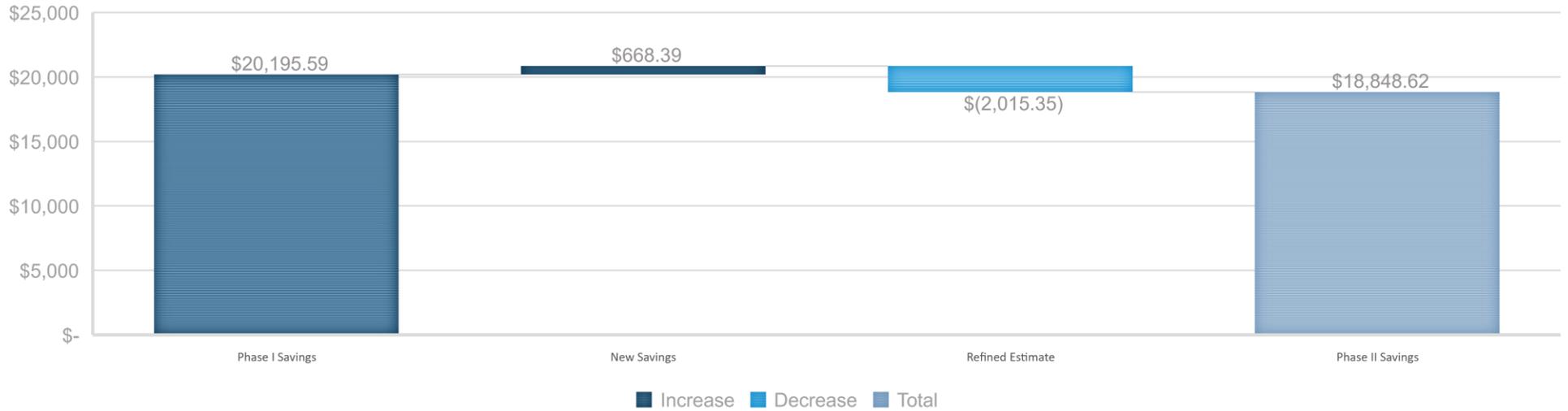


TECHNOLOGY INTEGRATION INVESTMENT VARIANCE
BY RECOMMENDATION

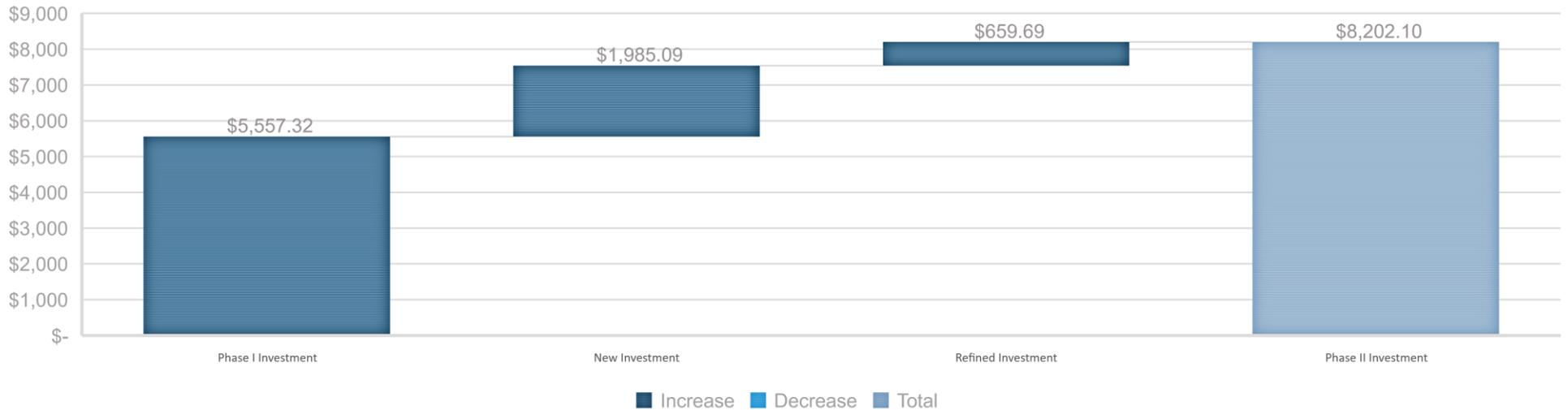


Technology Integration

TECHNOLOGY INTEGRATION SAVINGS VARIANCE BY REASON

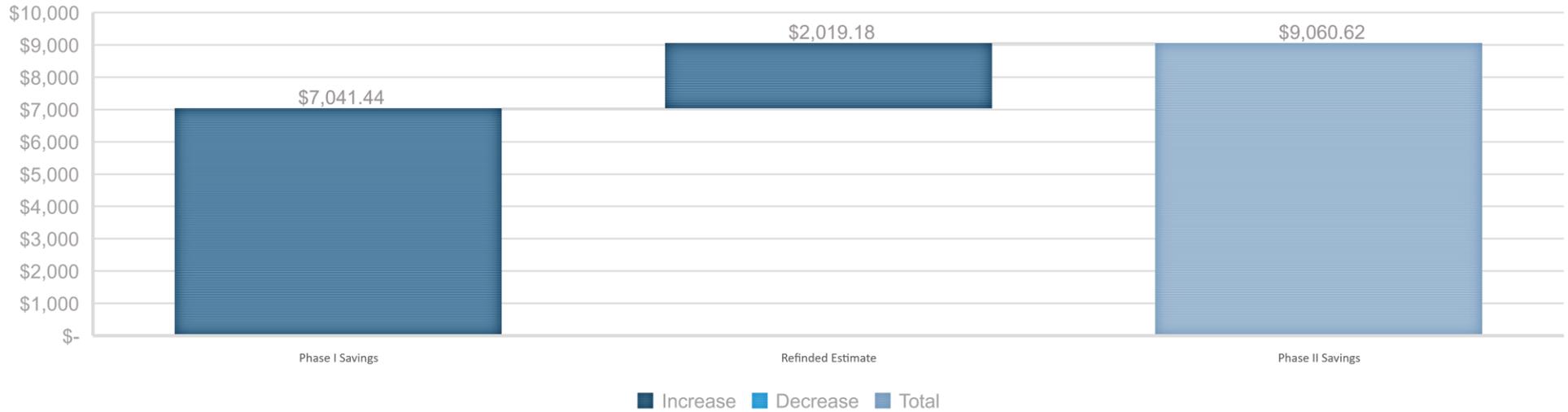


TECHNOLOGY INTEGRATION INVESTMENT VARIANCE BY REASON



Strategic Sourcing

STRATEGIC SOURCING SAVINGS VARIANCE
BY REASON

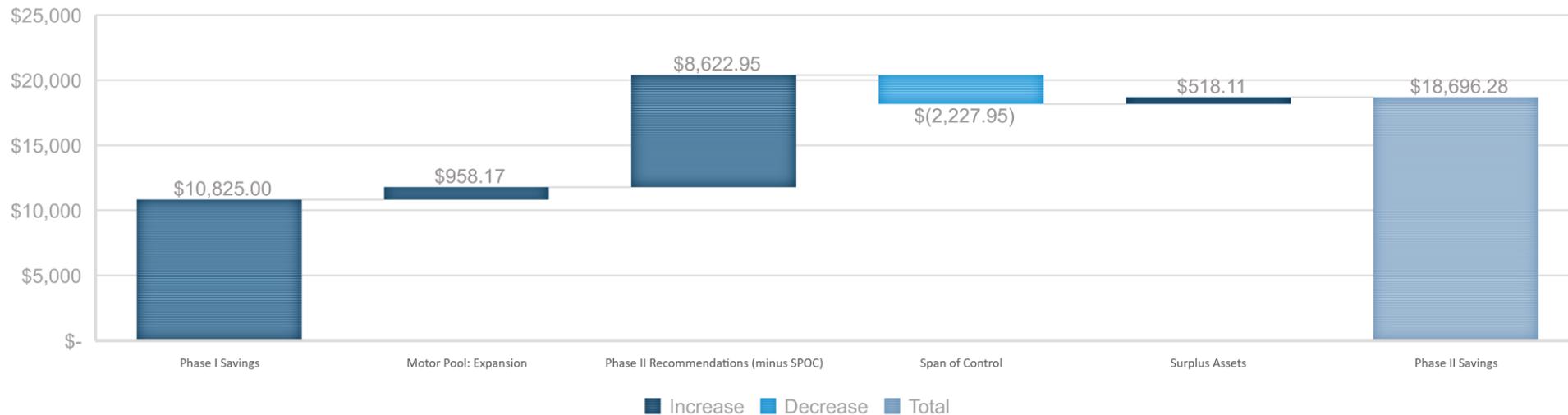


STRATEGIC SOURCING INVESTMENT VARIANCE
BY REASON

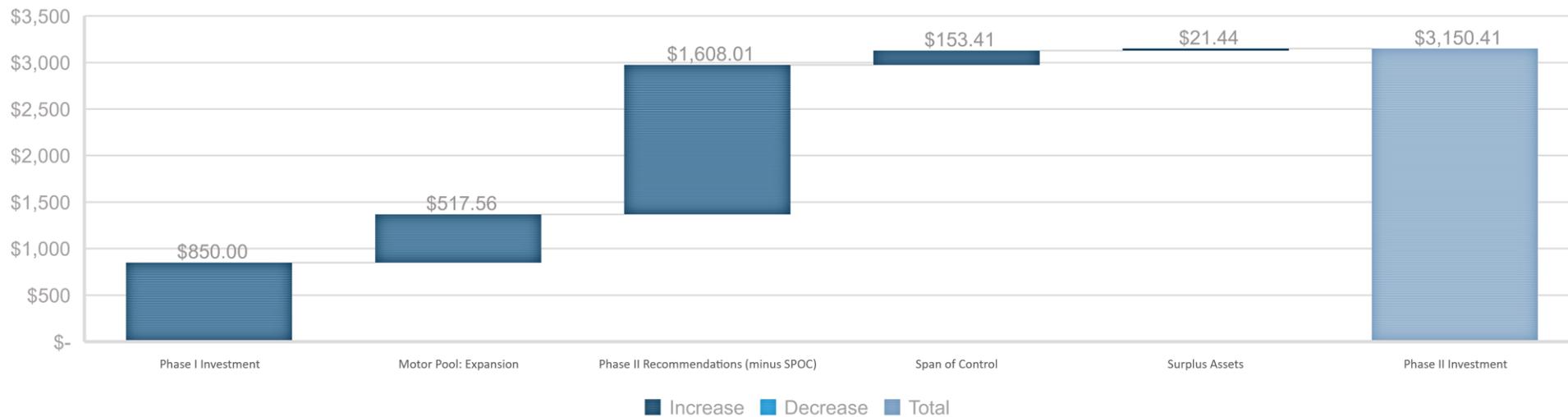


Shared Services for State Agencies

SHARED SERVICES FOR STATE AGENCIES SAVINGS VARIANCE
BY RECOMMENDATION

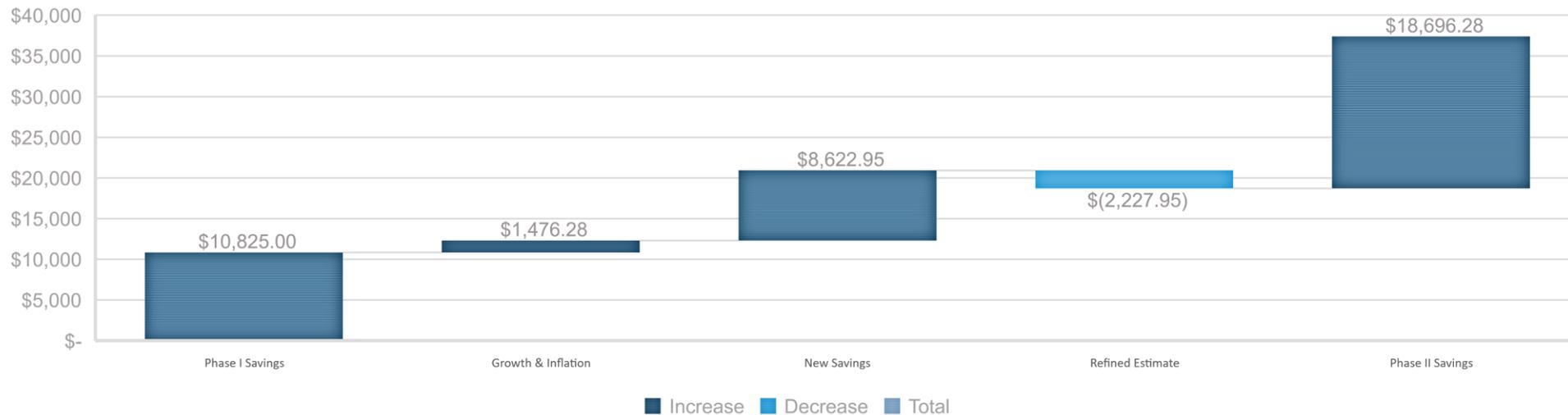


SHARED SERVICES FOR STATE AGENCIES INVESTMENT VARIANCE
BY RECOMMENDATION

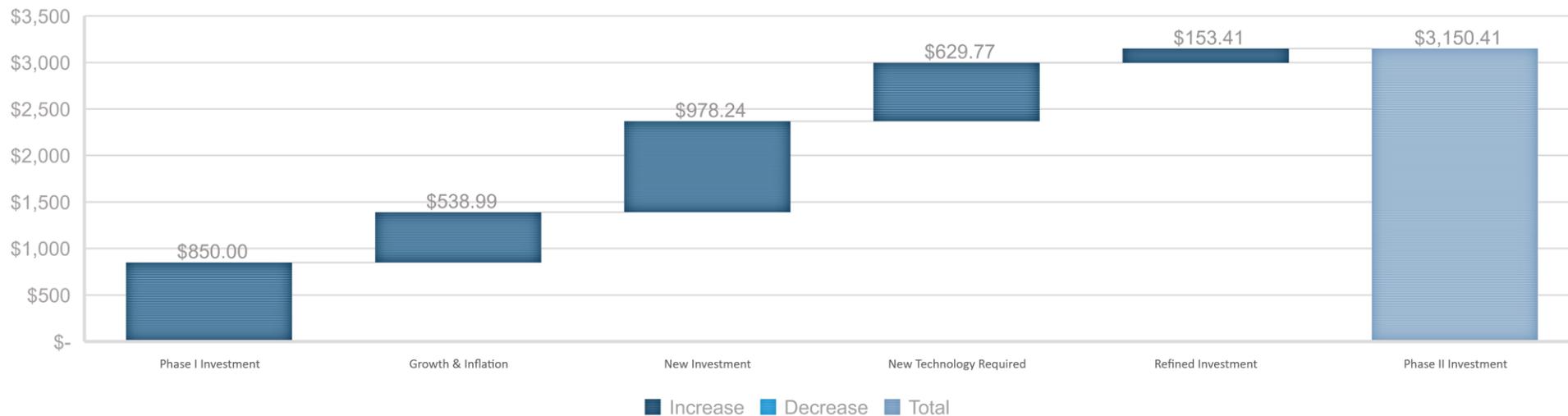


Shared Services for State Agencies

SHARED SERVICES FOR STATE AGENCIES SAVINGS VARIANCE
BY REASON

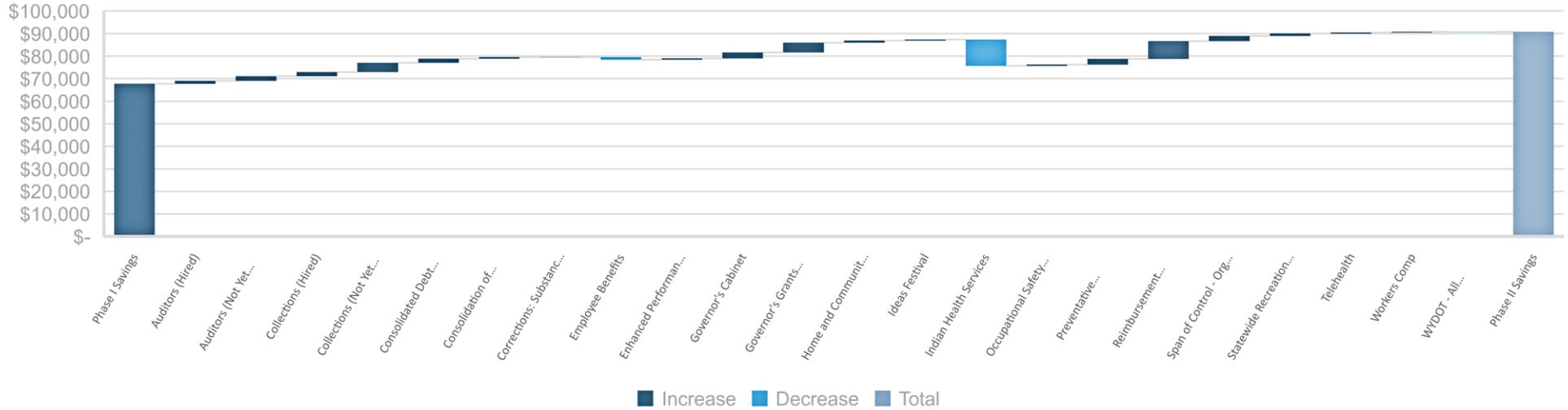


SHARED SERVICES FOR STATE AGENCIES INVESTMENT VARIANCE
BY REASON

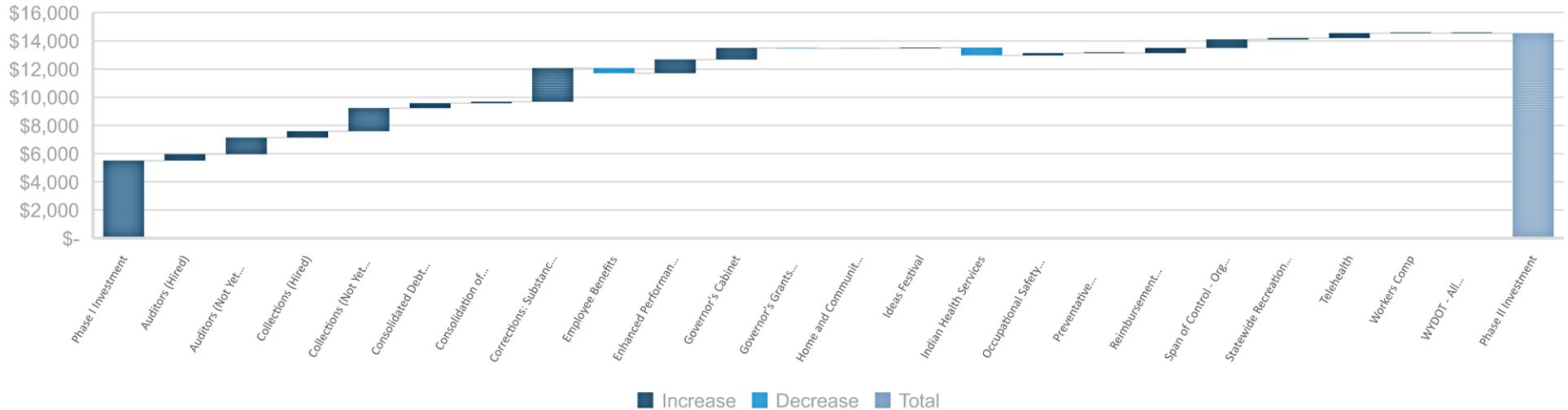


Organizational Line of Service Review

ORGANIZATIONAL LINE OF SERVICE REVIEW SAVINGS VARIANCE BY RECOMMENDATION

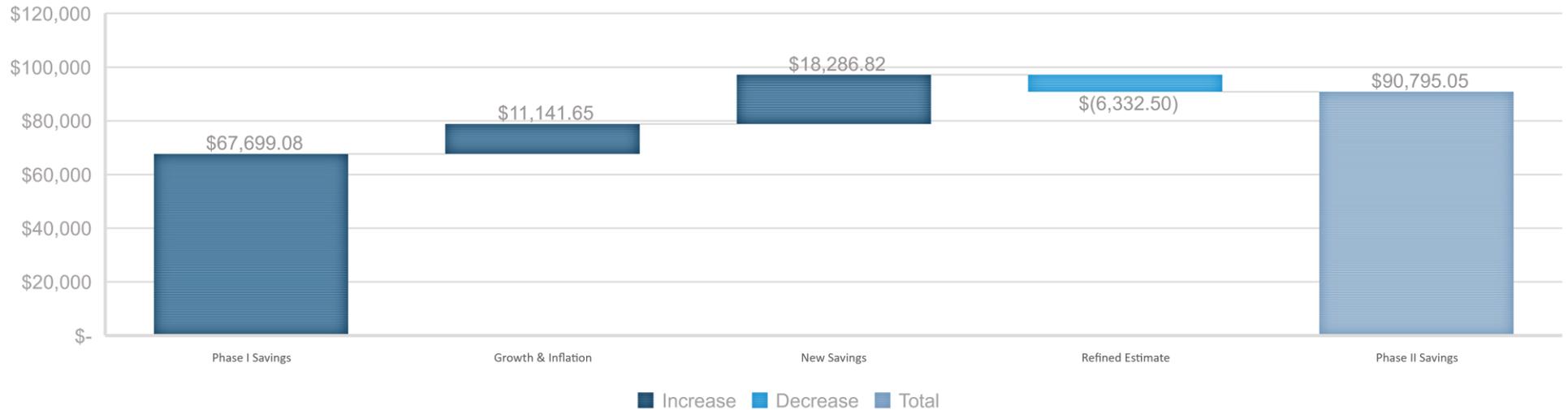


ORGANIZATIONAL LINE OF SERVICE REVIEW INVESTMENT VARIANCE BY RECOMMENDATION

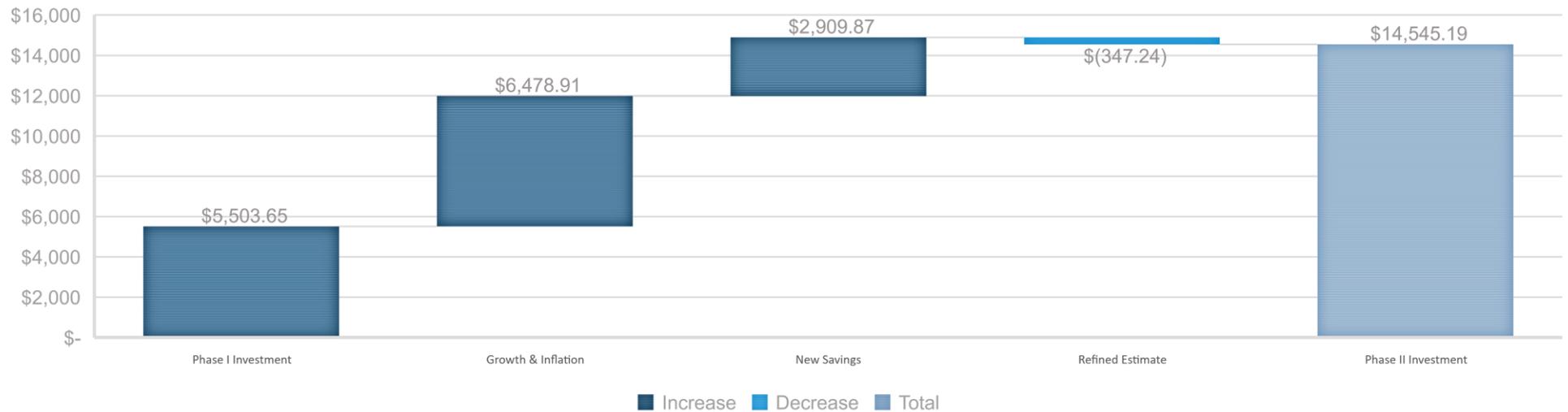


Organizational Line of Service Review

ORGANIZATIONAL LINE OF SERVICE REVIEW SAVINGS VARIANCE
BY REASON



ORGANIZATIONAL LINE OF SERVICE REVIEW INVESTMENT VARIANCE
BY REASON



Medicaid for Special Education Services

MEDICAID FOR SPECIAL EDUCATION SERVICES SAVINGS VARIANCE
BY REASON

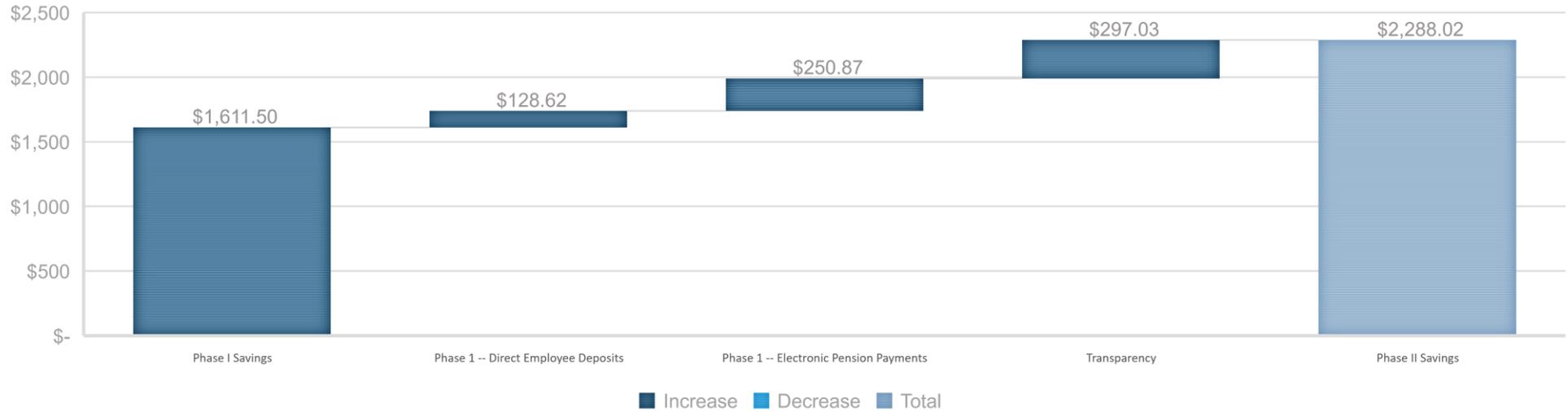


MEDICAID FOR SPECIAL EDUCATION SERVICES INVESTMENT VARIANCE
BY REASON

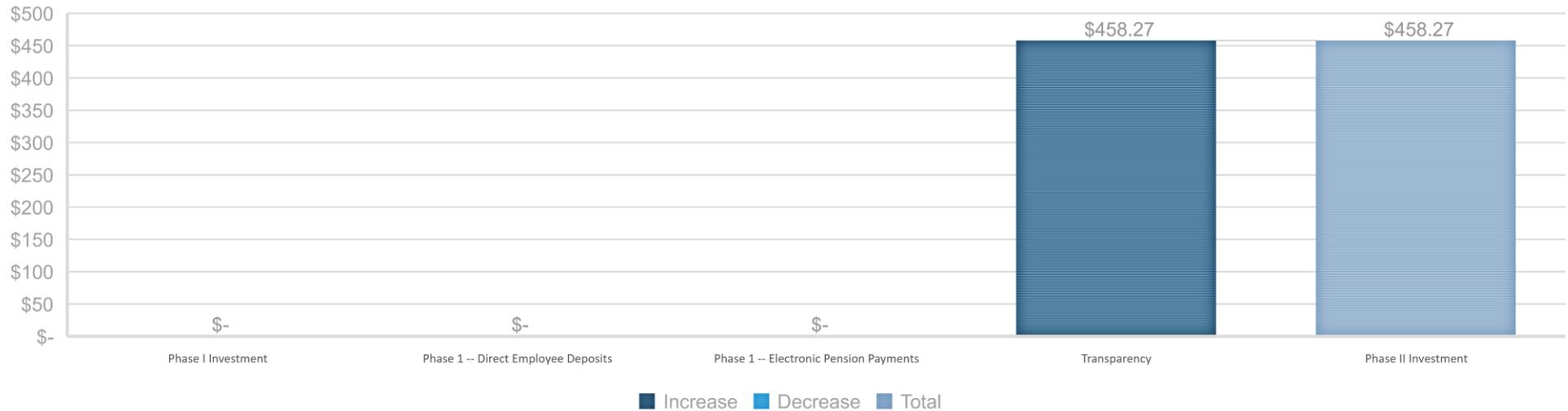


Other Areas

OTHER AREAS SAVINGS VARIANCE BY RECOMMENDATION

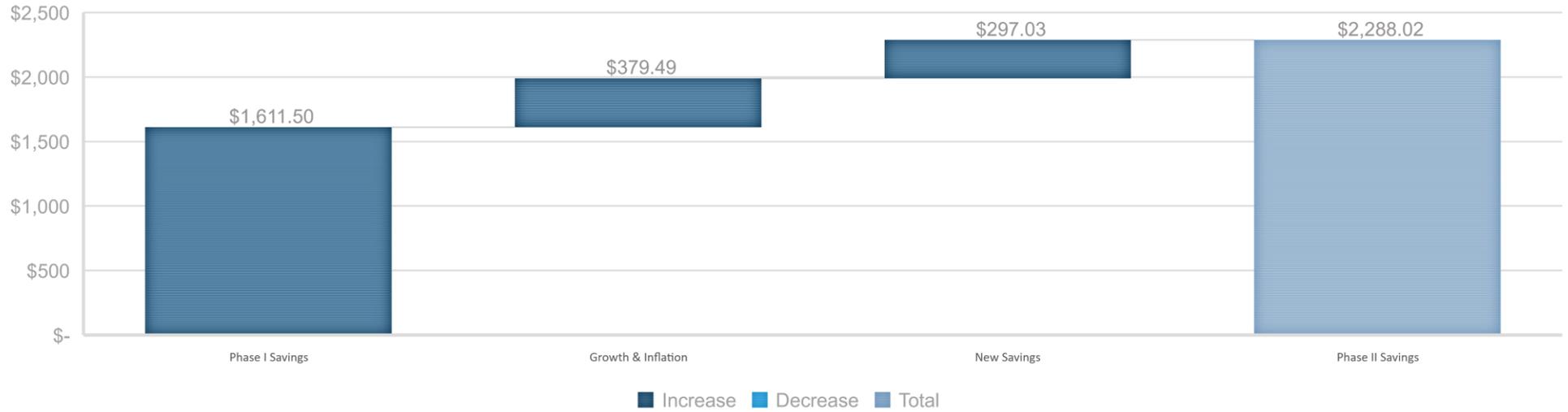


OTHER AREAS INVESTMENT VARIANCE BY RECOMMENDATION



Other Areas

OTHER AREAS SAVINGS VARIANCE
BY REASON



OTHER AREAS INVESTMENT VARIANCE
BY REASON



ADDENDUM C: Wyoming Spending and Government Efficiency Report – October 2017 (Phase 1)



ALVAREZ & MARSAL

WYOMING GOVERNMENTAL SPENDING AND EFFICIENCY COMMISSION

October 18, 2017





Outline

- I. Executive Summary
- II. Background and Purpose
- III. Cross Agency Benchmarking and Analysis
- IV. Department of Administration & Information
- V. Department of Education
- VI. Department of Health
- VII. Department of Revenue / Department of Audit
- VIII. Other \$20M Agency SAGE Reports

Project Overview

PROJECT OVERVIEW

- This report contains observations and recommendations for the Wyoming Governmental Spending and Efficiency Commission (“Commission”) to review the efficiency of State government per Senate File 156, 2017 Session Laws Ch. 183.
- The objective of the task was to conduct a rapid assessment to identify, quantify, and prioritize new approaches for the Commission that would pinpoint opportunities to reduce costs and operate more efficiently. The scope of the Statewide Efficiency Review focused on the following key agencies:
 - Department of Administration and Information
 - Department of Education
 - Department of Health
 - Department of Revenue
- A&M also conducted a cross agency benchmark analysis, reviewed the plans submitted by agencies with more than \$20 million in biennial budget, and identified ways to incentivize the identification of efficiencies by state employees.
- As a result of these reviews, A&M found:
 - The need for a broad scale organizational review to include a programmatic review of the lines of service provided by the state agencies, an assessment of the span of control and reporting structure of the supervisors, and review of opportunities to make changes to both the employee benefits and school district benefit programs to drive savings.
 - There is a need to modernize systems and coordinate investment across state agencies to allow for better integration of technology solutions, particularly in the areas of Human Resources and Finance.
 - There are opportunities to increase revenues through the creation of a Governor’s Grants Office to improve pursuit of Federal Funds, the creation of an interagency Discovery Unit for tax audit and collections, and a need to hire audit and collections staff.
 - There are a high number of administrative functions performed at the agency level, where use of shared services across state agencies and regional shared services across school districts would increase the level of service and help drive efficiency.
 - There is an opportunity to enhance employee benefits through the creation of school district benefit plans, additional wellness options and programs, and opportunities to incentivize employees to identifying efficiency initiatives.

Executive Summary

EFFICIENCY OBSERVATIONS

	Current State
Organizational	<ul style="list-style-type: none"> • Span of Control Challenges: The agency supervisory span of control (i.e., the number of staff that report to each supervisor) is low with an average staff to manager ratio of 4:1, below standard benchmarks of 6-8 and significantly below best in class levels of 12-13. • Staffing Levels: Staff reductions have left key functions understaffed, including Auditors and Collection staff. • Organizational Structure: The State has a high number of agencies, boards, and commissions per capita. Within these agencies there are a significant number of small agencies that each maintain separate administrative functions. As a result, there are opportunities to consolidate functions and reporting structures, and to create new programs that cut across agencies to break down silos.
Incentives	<ul style="list-style-type: none"> • Structural Inefficiencies in Budget Savings: The State's annual budget process incentivizes agencies to hold back savings until after the first wave of cuts are delivered. Alternatives include target reductions and share in savings. • School District Spending: The current funding model encourages districts to spend inefficiently as there are limited reporting or compliance requirements to receive state funding.
Innovation	<ul style="list-style-type: none"> • Dashboard and Analytic Capabilities: The Wyoming Department of Health's Directors Unit for Policy Research and Evaluation (DUPRE) has developed best in class analytic and dashboarding capabilities that could provide lessons learned for other departments and other states in the analysis and management of data to affect agency decision-making. • Indian Health Services: Wyoming should be commended for their innovative approach to establishing the necessary protocols and infrastructure to realize Medicaid savings, and for promoting coordination of care through collaboration with tribal governments and with IHS. • Property Tax Function: The state has developed a business case for conducting statewide Aerial Imagery scanning and spatial comparison to identify new properties or structures that should be added to the tax rolls delivering automated identification of new properties without site visits, delivering these properties to the tax rolls years sooner.

Executive Summary

EFFICIENCY OBSERVATIONS

	Current State
Federal Funds	<ul style="list-style-type: none"> • Gaps in Federal Funds Pursuit: The State does not strategically pursue Federal grants, and there are numerous examples of agencies bypassing Federal funds. Wyoming is the only state that does not seek reimbursement for Medicaid funds for school districts. Participation in Federal child nutrition programs is well below benchmarks and numerous schools have dropped out of the programs. • Over Reliance on State Funds: There is cultural bias away from Federal funds, where small amounts of resistance discourage full evaluation of opportunities to gain additional funds. • Administrative Burden: Agencies and school districts are reluctant to pursue Federal Funds due to administrative tracking, reporting, and compliance requirements.
Technology	<ul style="list-style-type: none"> • Enterprise Technology Services: The State has taken the right steps towards coordination of technology solutions through the establishment of a centralized Enterprise Technology Services (ETS) to coordinate information technology structure across the state agencies. • Technology Pivotal to Efficiency: The modernization of systems is a foundational step necessary before the State can realize efficiency from solutions generated through shared services, improved process, or improved tracking and reporting of funds. • Disparate Use of Technology: Agencies often independently purchase their own technology solutions instead of pursuing technology purchases across state agencies or following statewide technology policies, which would allow the state to take full advantage of the systems and programs, particularly given the state government's size. • Limited System Integration: There is significant manual data entry between systems that should be more integrated causing agencies to extract/upload data across multiple systems and/or manually manipulate data extractions to get the desired reporting. • Collaborative Funding: Because of lack of collaboration, the State is unable to fully take advantage of the administrative benefits associated with allowable recovery of federal funds when investing in centralized technology solutions or recovering central administrative costs.

Executive Summary

EFFICIENCY OBSERVATIONS

	Current State
Shared Services	<ul style="list-style-type: none"> • Decentralized Staffing / Processes: Each agency continues to maintain administrative functions that overlap with centralized services including, human resources, finance, IT, and procurement. • Customer Service: The administrative functions, including shared services functions, need to be resourced with staff that can provide the right level of support to front line agencies. Without enough input from agencies, products or services are designed where the final product often doesn't meet the needs of the agencies as intended. For example, core accounting system issues result in lack of access or manual processes to generate needed reporting.
Procurement	<ul style="list-style-type: none"> • Decentralized Procurement: Each agency has a procurement function that interacts with the central procurement division. Most of the interaction with the central procurement division is for compliance rather than process support, indicating a lack of economies of scale across statewide procurement. • Data Limitations: The State does not provide ready access to data for the procurement staff to conduct meaningful analysis of expenditures or procurement practices. System integrity issues create the arms length access to data. • Collaboration: The State would benefit from greater collaboration across departments to increase buying power.
Education Funding	<ul style="list-style-type: none"> • Remote Student Expenditures: The State spends a disproportionate share of funds on remote location students, in some cases providing personalized learning solutions. In the most extreme examples, staff outnumber students and financial resources dedicated to educating small groups far exceed the State's average per pupil cost. • Perspective: School districts are able to spend state resources with minimal requirements for tracking performance metrics or compliance reporting resulting in reduced recovery of Federal funds.
Rural Nature of Wyoming	<ul style="list-style-type: none"> • Spending Perspective: The State points to the rural geography to justify higher spending in areas such as education for remote students, the cost of transportation, or the lack of industry to provide services in health, technology, etc. • Minimal Regional Collaboration: While some government-to-government collaboration occurs in the state and through school district BOCES, the State could benefit from increased regional collaboration between the state, local, and school districts to drive services or increase savings.

Executive Summary

EFFICIENCY OBSERVATIONS

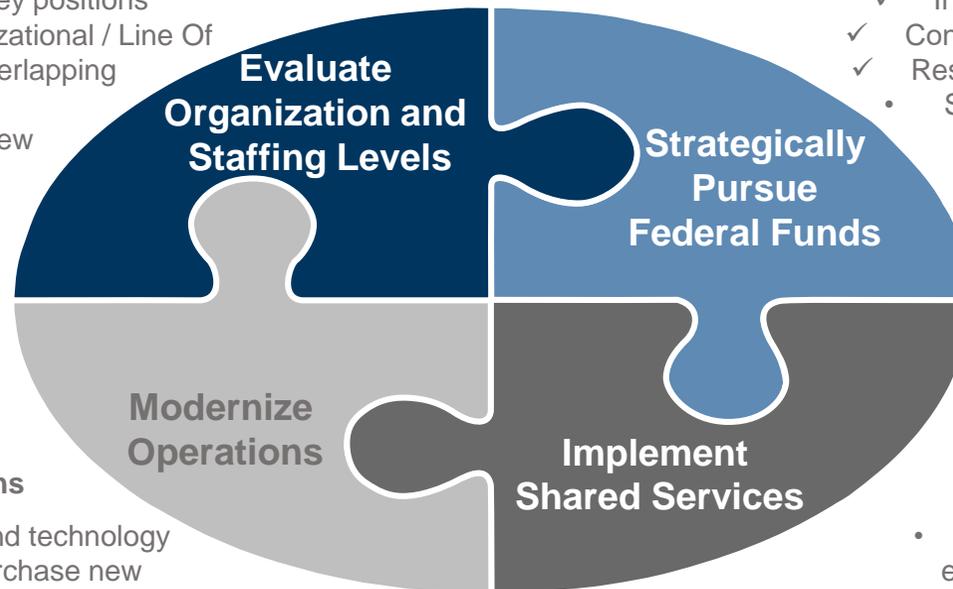
State of Wyoming Efficiency Study Recommendations

Organization and Staffing

- Evaluate opportunities to streamline administrative functions
- Increase staffing levels for key positions
- Conduct a statewide Organizational / Line Of Service review to resolve overlapping responsibilities
- Conduct span of control review

Strategically Pursue Federal Funds

- Establish a Governor's Grants Office
- Increase Federal reimbursement requests
 - ✓ Initiate school-based services request
 - ✓ Consider additional Medicaid programs"
 - ✓ Restructure the Child Nutrition Program
- Strengthen reporting and compliance capabilities



Modernize Statewide Operations

- Invest in people, process, and technology
 - ✓ Expand on existing or purchase new technologies to minimize "paper-pushing"
 - ✓ Drive data quality improvements across the state financial and personnel systems
- Integrate technology solutions across agencies
- Sponsor efficiency-increasing technology for local governments and school districts

Implement Shared Services

- Study the potential opportunities for expanded shared services in the state
 - ✓ Make necessary infrastructure enhancements
 - ✓ Build on successes in construction
 - ✓ Build on technology shared services successes
 - ✓ Consider expansion in Procurement
 - ✓ Consider Expansion in Human Resources
- Establish Regional Service Centers for school districts

Organizational Summary

ORGANIZATION AND STAFFING

The State should engage in an a statewide organizational assessment that would provide clarity into service levels, right-size staffing levels, and streamline government structure.

ORGANIZATIONAL REVIEW RECOMMENDATIONS			
ADMINISTRATIVE FUNCTION REVIEW	LINE OF SERVICE REVIEW	SPAN OF CONTROL REVIEW	STAFFING LEVEL ASSESSMENT
<ul style="list-style-type: none"> The Administrative Function Review would study the breadth of administrative services that are provided by both the State and state agencies. Having better insight into the structure of the administrative services would help the State to ensure that the structure through which these services are provided is effectively and efficiently meeting the agencies' needs. 	<ul style="list-style-type: none"> The Line of Service Review would evaluate the programs and services provided by the State to assess overlapping responsibilities, obsolete programs, or areas for enhancement. By creating a catalog of services provided, the State will be able to evaluate the impact and outcomes of the associated programs. The Line of Service Review would give the State the information needed to consolidate or eliminate programs that are under-utilized or ineffective, or expand services as needed. 	<ul style="list-style-type: none"> A Span of Control Review will evaluate the supervisor to front line staff ratio across the state agencies to identify areas to shift resources and improve services. The State should identify opportunities to increase span of control targets from 4:1 to better align with industry benchmarks. The goal is to affect long term workforce planning to shift staffing levels toward front line staff to increase the level of service both internally and to Wyoming citizens. 	<ul style="list-style-type: none"> The State has reduced the number of state employees resulting in the loss of staffing of key revenue generating roles. A concerted effort to replace these staff should be prioritized in the coming year. The State should create a Discovery Unit that bridges the Audit and Revenue departments. The state should establish a Governor's Grants Office to improve fiscal management of federal funds.

Governor's Grants Office / Federal Funds Office

STRATEGICALLY PURSUE FEDERAL FUNDS BY ESTABLISHING A GOVERNOR'S GRANTS OFFICE

Strategy

- Drive strategic identification, analysis and prioritization of Federal funding opportunities.

Risk and Compliance

- Conduct risk assessments and compliance reviews of Federal funds programs.

Execution

- Monitor Federal funds / grants programs for execution and timely reimbursement requests.

Cost Recovery

- Review the Statewide Cost Allocation Plan (SWCAP) allocations procedures for revision and improved capture.

Technical Assistance

- Provide technical assistance and tactical support to the school districts.

Technology

- Provide oversight of systems implementation to facilitate better funds management.

Shared Services Review

IMPLEMENT SHARED SERVICES

Organizational effectiveness and cost savings opportunities can increase through formal collaboration efforts between agencies.

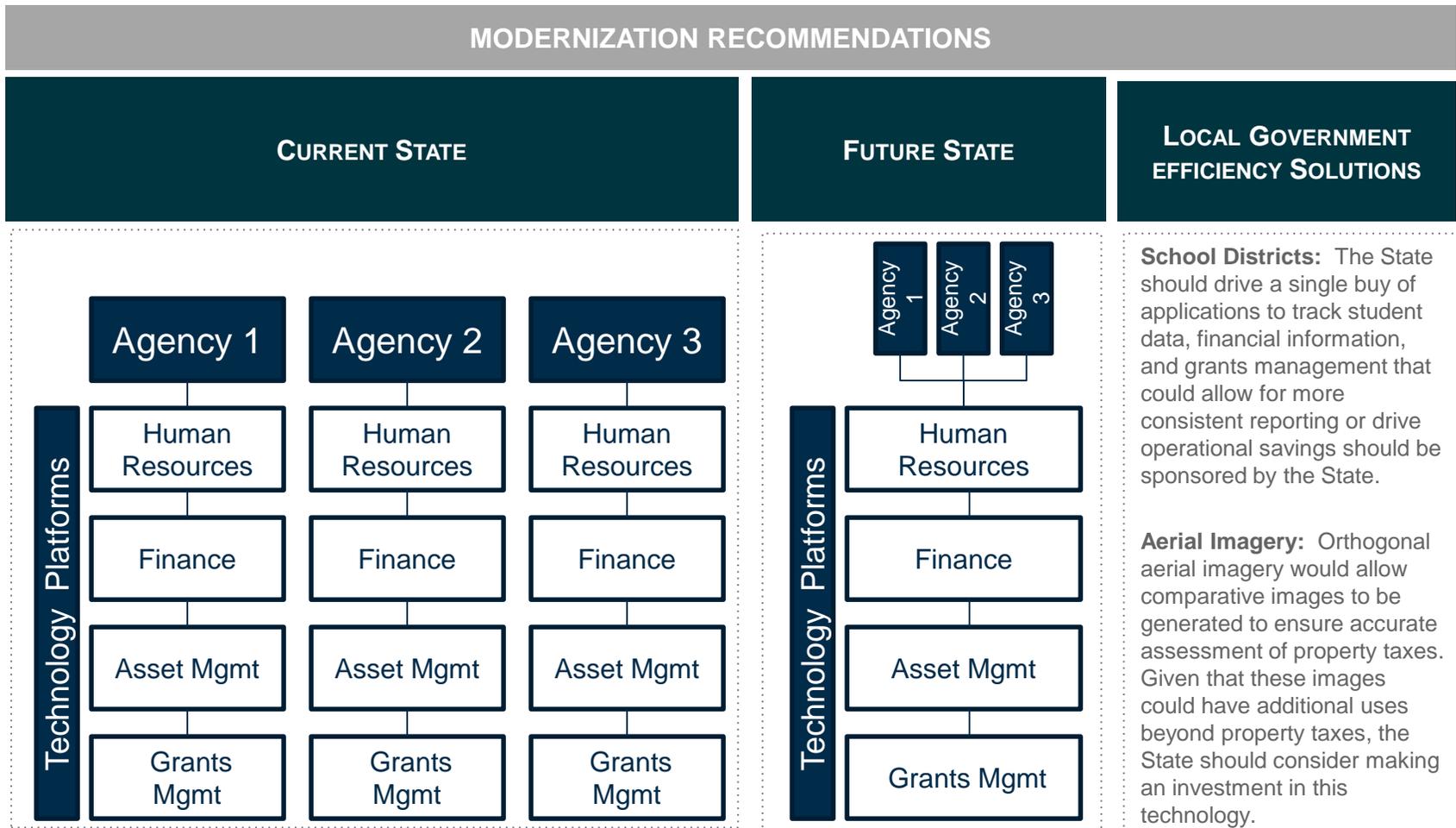
SHARED SERVICES OPPORTUNITIES			COLLABORATION
FINANCE	HUMAN RESOURCES	INFORMATION TECHNOLOGY	PROCUREMENT
<p>Accounts Payable and Payroll: Shared Processing; Standardized and automated workflow on approvals.</p> <p>Potential to add in:</p> <ul style="list-style-type: none"> Accounting Entries Financial Reporting General Oversight ERP Systems Grant Compliance and Claiming 	<p>Human Resources: Shared HR functionality across agencies with a cross-agency Human Resources Information System (HRIS).</p> <p>Benefits Coordination: Shared processing and support including school districts.</p>	<p>Technology: Shared oversight and support functions.</p> <p>Integrated Solutions: Alignment to technology solutions across agencies.</p> <p>System Interfacing: Strategic technology interfacing that allows for communication across related systems.</p>	<p>Purchasing Coordination: Collaborate on market intelligence, pricing opportunities, RFP management, contract negotiations, contract management and minimum buying commitments.</p> <p>Capitalize on volume discounts and rebates.</p> <p>Shared analysis of spending, monitoring and optimization of pricing.</p>

Governance structures, service level agreements and implementation plans will vary based upon the range of services included and the agencies participating in a collaborative model.

Technology Integration Review

MODERNIZE STATEWIDE OPERATIONS

The State will benefit from investment in technology applications across agencies and should consider investing in technology solutions for local governments.



State Employee Efficiency Identification Program

ANNUAL IDEAS FESTIVAL

Key Findings

- **At least 11 states have employee suggestion incentive programs where the employee gets a bonus as a percentage of the savings achieved by the suggestion. The award suggestions vary by state:**
 - Wisconsin had an employee suggestion program since 1954 that identified \$12 million in savings over the life of the program
 - Kansas has an employee suggestion program in which an employee can receive 10 percent of the savings for a suggestion up to \$5,000.
 - California, Tennessee, and North Dakota have employee suggestion programs with limits of up to \$50,000, \$10,000, and \$4,000 respectively.
- **Award programs tend to trail off without program maintenance and awareness.**

Recommendations

- **Wyoming should implement a Governor's Annual Ideas Festival.**
 - Administering the Ideas Festival and annual program can be developed and instituted with minimal administrative burden.
 - The Governor's Annual Ideas Festival would award teams of individuals up to \$25,000 as a team and \$5,000 per person to identify and help implement savings opportunities.
 - The payout would be split upon award and after savings have been implemented.
 - Actual realized savings realized would help fund future program awards.
- **The critical steps include:**
 - Creation of statutes that allow for funding of the Governor's Annual Ideas Festival.
 - Design and rollout the Ideas Festival.
 - Host the program and awards ceremony.

Executive Summary

CONCLUSION: ESTIMATED ONE-TIME INVESTMENT AND BIENNIAL SAVINGS

Investment and savings ranges shown below reflect estimates of the impacts of A&M recommendations for process, technology and policy changes. These amounts are subject to change based upon the implementation strategies selected. In addition, potential costs associated with additional planning activities are not reflected in these estimates.

	Est. One-Time Investment (State Funds)		Est. Net Biennium Savings (State Funds)	
	Low	High	Low	High
Cross Agency	\$1,850,000	\$2,750,000	\$20,985,395	\$41,950,791
Administration & Info	500,000	700,000	5,350,000	8,800,000
Education	2,400,000	3,750,000	42,593,411	83,626,961
Health	1,876,882	3,753,765	19,920,282	43,120,396
Revenue and Audit	2,000,000	2,500,000	19,300,000	38,600,000
Other \$20M+ Agencies	2,272,015	2,272,015	3,510,449	9,387,085
State Total	\$10,898,897	\$15,725,780	\$111,659,537	\$225,485,232
Local Impacts	1,992,000	1,992,000	852,305	2,142,679
Total	\$12,890,897	\$17,717,780	\$112,511,842	\$227,627,911



Outline

- I. Executive Summary
- II. Background and Purpose
- III. Cross Agency Benchmarking and Analysis
- IV. Department of Administration & Information
- V. Department of Education
- VI. Department of Health
- VII. Department of Revenue / Department of Audit
- VIII. Other \$20M Agency SAGE Reports

Project Overview

This report contains observations and recommendations completed for the Wyoming Governmental Spending and Efficiency Commission (the Commission) to review the efficiency of State government per Senate File 156, 2017 Session Laws Ch. 183, including:

- i. A review of the current configuration of the Wyoming State (“the State”) government and the duties and responsibilities of state agencies including identifying any potential areas of overlap and any programs that have accomplished their original objective or have otherwise become obsolete;
 - The objective of the task was to help reduce the budget deficit, the State requested a rapid assessment to identify, quantify, and prioritize new approaches for the Commission that would pinpoint opportunities to reduce costs and operate more efficiently or to reduce overlapping or obsolete programs. The scope of the Statewide Efficiency Review is focused on the following key agencies:
 - **Department of Administration and Information**
 - **Department of Education**
 - **Department of Health**
 - **Department of Revenue**
- ii. Identification of opportunities for increasing efficiency and reducing costs through executive action or legislation
 - A&M’s review focused on identifying opportunities across the operational areas noted above that would yield:
 - 1. Increases in Sources of Revenues Across All Levels of Government (Federal, State, and Local)**
 - Improved strategy and execution would enable increased levels of funding from Federal sources, would improve collection of State funds, and would improve compliance reviews at the local level.
 - 2. Improvements to the Increased Effectiveness and Efficiency**
 - Improved processes that would enable increased levels of service to the citizens and enhance financial controls and financial stewardship of the state’s funds and assets.
 - 3. Cost Avoidance and / or Cost Savings**
 - Enhanced processes and structures that would enable the state to realize savings and/or avoid potential costs in the future, including consideration of potential investments required to mitigate ongoing cost exposure.

Project Overview

This report contains observations and recommendations completed in for the Wyoming Governmental Spending and Efficiency Commission (the Commission) to review the efficiency of State government per Senate File 156, 2017 Session Laws Ch. 183, including:

- iii. Identification areas for further study, including a recommendation of specific areas with a high likelihood for potential savings;
 - Through the course of this study, observations and recommendations were made that will require further areas of study both through new executive branch agency reviews (such as the Department of Corrections or the Department of Transportation) and through areas within the existing agencies that will require further study to identify and quantify efficiency opportunities (such as a more detailed review of Behavioral Health, an analysis of the statewide span of control, or a review of the school district cooperative purchasing program)

- iv. Consideration for the development and implementation of a program to incentivize the identification of potential efficiencies by state employees;
 - Recommendations were made for the establishment of an Annual Governor's Ideas Festival program to provide an incentive based program for state employees to identify and help realize potential efficiency savings.

Project Overview

This report contains observations and recommendations completed in for the Wyoming Governmental Spending and Efficiency Commission (the Commission) to review the efficiency of State government per Senate File 156, 2017 Session Laws Ch. 183, including:

- v. A review of the plans provided under W.S. 28-1-115(a)(ii) for any state agency expending more than twenty million dollars (\$20,000,000.00) in a biennium;
 - A cross agency benchmark analysis was conducted to help characterize potential savings from the agencies with more than \$20 million in budget to include a review of cross agency procurement opportunities and human capital opportunities.
 - Detailed agency reviews for the agencies with greater than \$20 million in biennia funding were outside the scope of this efficiency review. However, in addition to the more detailed analysis of the key agencies, A&M assessed the plans submitted by each of the following agencies to the Spending And Government Efficiency (SAGE) Commission for potential efficiency recommendations.
 - ✓ Attorney General's Office
 - ✓ Department of Agriculture
 - ✓ Department of Corrections
 - ✓ Department of Enterprise Services
 - ✓ Department of Environmental Quality (DEQ)
 - ✓ Department of Transportation
 - ✓ Office of State Lands and Investments
 - ✓ State Engineers Office
 - ✓ State Parks and Cultural Resources
 - ✓ University of Wyoming
 - ✓ Wyoming Community College Commission



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Cross Agency Benchmarking and Analysis

Overview

- There are a number of areas where potential opportunities have impacts that extend beyond one particular agency, including Human Resources, Retirement, Employee Insurance Group, Technology, and Procurement.
- The A&M team conducted a review of the aforementioned areas to understand key processes and functions to identify opportunities for improved efficiency.
- A&M conducted analysis of expenditure and staffing data to further characterize the environment.

Observations

- The State experienced a significant decline in revenues in the past five years resulting in one time steps to close budget deficits.
- The State has over 8,900 Full Time Equivalent (FTE) staff.
- Span of Control levels in the State average 4.0 across state agencies.
- The state agencies coordinate some procurement activities, but could do more to increase purchasing collaboration.
- The State requires the retirement function to utilize statewide systems to conduct business, where improved custodial services could improve investment returns and reduce processing fees.
- The State discontinued a wellness program in 2011 to pursue opportunities to revamp the employee benefits program to utilize newer health benefit models.

Recommendations

- Conduct a strategic sourcing exercise to drive cross agency savings through collaborative purchasing.
- Provide an exemption for using the central accounting system to the Wyoming Department of Retirement Services to allow for improved processing of benefit payments and immediate deposit into the custodial account.
- Conduct an organizational study to identify improvements to the statewide Span of Control.
- Conduct a review of the employee benefits program to search for opportunities to implement refined benefits models such as health savings accounts (HSA) and wellness programs.

Available Funding for the 2017-2018 Biennium

Based on the January 2017 CREG revenue forecasts and projected expenditures, \$204.5 million in one-time funding was used to balance the FY2017-2018 General Fund budget. After statutory funding of the Reserve Account, there is still a \$25 million deficit^{[1],[2]}.

FY2017-18 Projected Revenues	
<u>Source</u>	<u>General Fund</u>
Budget Reserve Account Carryover	(\$2,410,231)
Increase in GF Reversions transferred to BRA	40,914,675
General Fund Revenues	2,041,529,426
Budget Reserve Account Revenue	628,600,000
Total Traditional Funds Available	\$2,708,633,870
FY2017-18 Projected Expenditures	
<u>Source</u>	<u>General Fund</u>
2016 Budget Bill GF Appropriations	(\$2,981,180,894)
2017 Budget Bill GF Appropriations	279,433,294
2017 Budget Bill GF Appropriations - Governor's vetoes	(3,222,038)
Other 2016 Bills with GF Appropriations - Budget Session	(187,071,613)
Other 2017 Bills with GF Appropriations - General Session	1,904,609
ONE TIME 2016 Budget Bill - Interfund Loan from 1% severance tax	168,500,000
ONE TIME 2016 Budget Bill - BRA Transfers from LSRA	36,000,000
2017 Budget Bill - Net Statutory Reserve Transfer from LSRA	56,552,772
Total Funds Appropriated / Transferred	(\$2,629,083,870)
General Fund / BRA Balance	\$79,550,000
Less: Statutory Reserve (5% of GF revenues)	(104,550,000)
Total Traditional Funds Available for Appropriation	(\$25,000,000)

\$204.5 million in one-time funding was used to supplement the FY2017-2018 General Fund budget.

After statutory funding of the Reserve Account of \$104.6 million, there is still a \$25 million deficit

Revenue Forecast

CREG projections for General Fund revenues for FY2017-2018 are \$723 million below the peak of \$2.76 billion in FY2013-2014. Declines in General Fund revenues are expected to persist through FY2019-2020, continuing to stress the State's ongoing financial health^[3].

Trends in General Fund Revenues



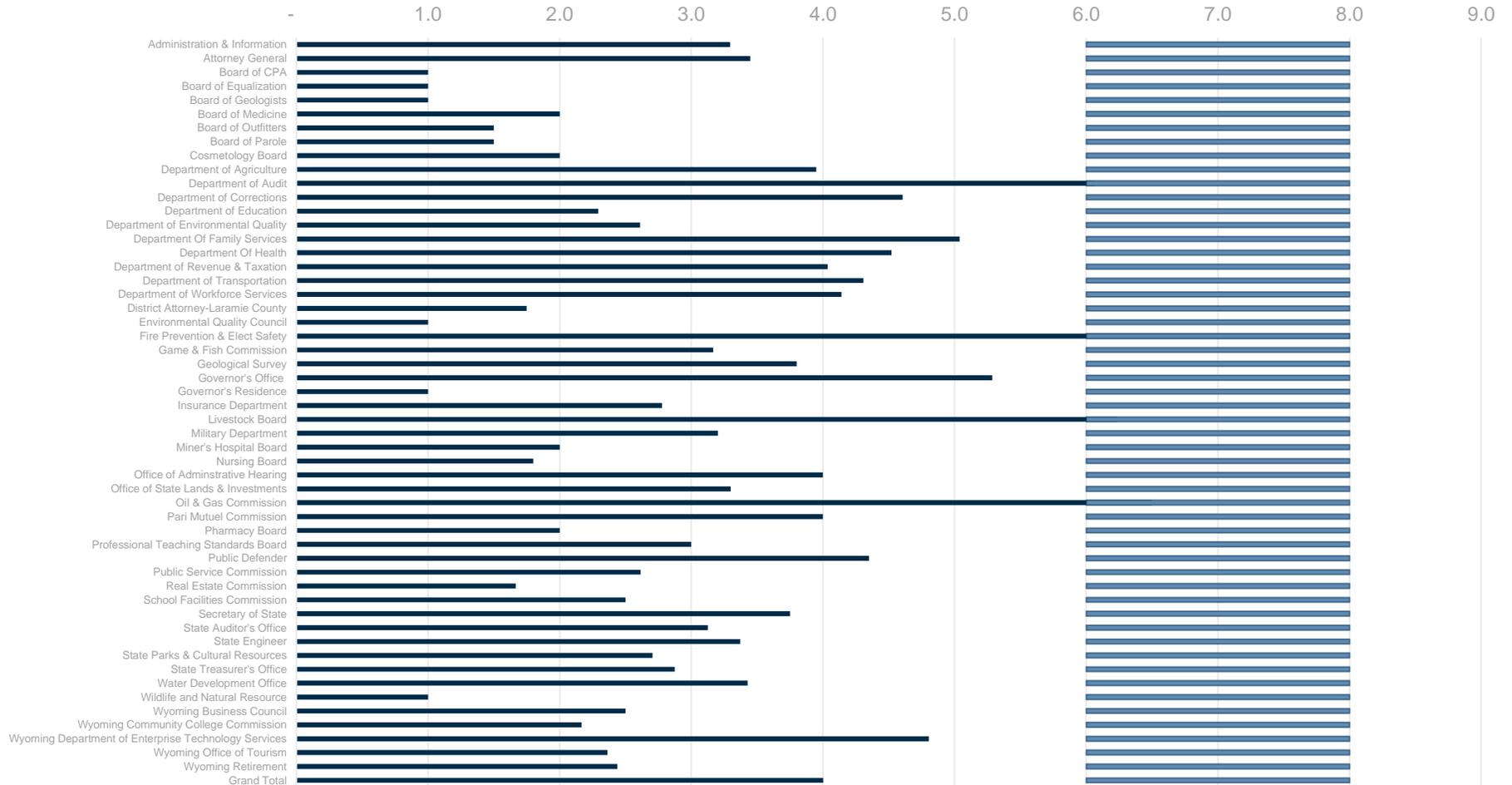
Wyoming State Budget With Key Assessment Areas^[4]

Agency Group	Home Department Name	Sum of Authorized FTE	Sum of Filled FTE
Key Assessment Areas	Administration & Information	216	201
	Department of Audit	103	98
	Department of Education	113	108
	Department Of Health	1,385	1,221
	Department of Revenue & Taxation	114	113
Key Assessment Areas Total		1,931	1,741
Agencies with over \$20MM	Attorney General	243	232
	Department of Agriculture	81	76
	Department of Corrections	1,230	1,031
	Department of Environmental Quality	263	246
	Department Of Family Services	709	680
	Department of Transportation	2,056	1,873
	Department of Workforce Services	580	532
	Governor's Office	39	37
	Insurance Department	26	25
	Military Department	256	238
	Office of State Lands & Investments	95	94
	Public Defender	92	88
	School Facilities Commission	28	25
	State Engineer	124	119
	State Parks & Cultural Resources	176	162
	State Treasurer's Office	34	22
	Wyoming Business Council	48	43
	Wyoming Community College Commission	14	13
Wyoming Department of Enterprise Technology Services	241	221	
Wyoming Office of Tourism	36	34	
Agencies with over \$20MM Total		6,371	5,791
Remaining Agencies		1,135	1,020
Grand Total		9,437	8,552

Average Agency Span of Control

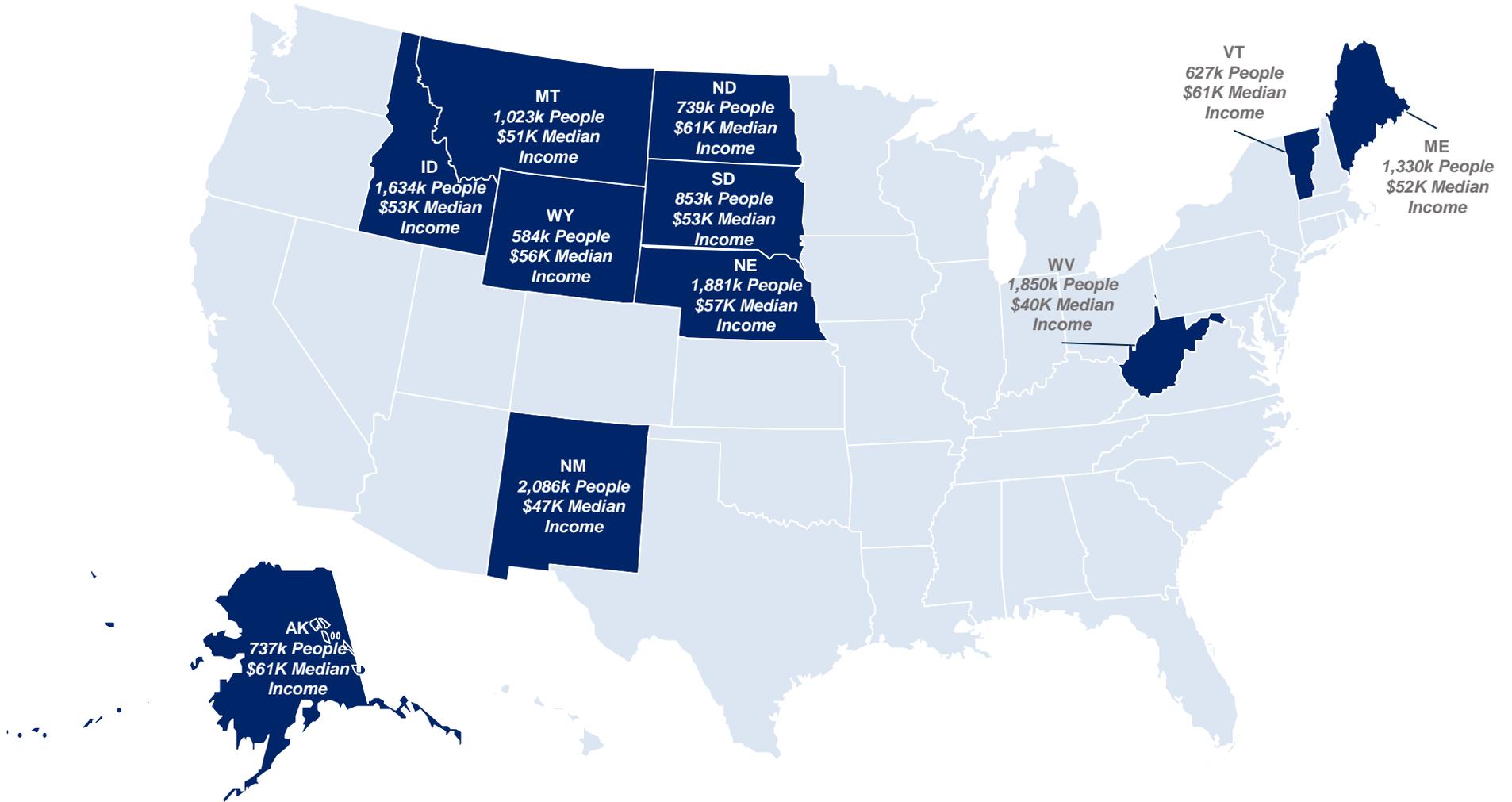
Agency Span of Control Levels average 4.0 across the State, which is below target benchmarks of 6-8 staff per supervisor^[4].

Statewide Span of Control Review



Cross Agency Benchmarks

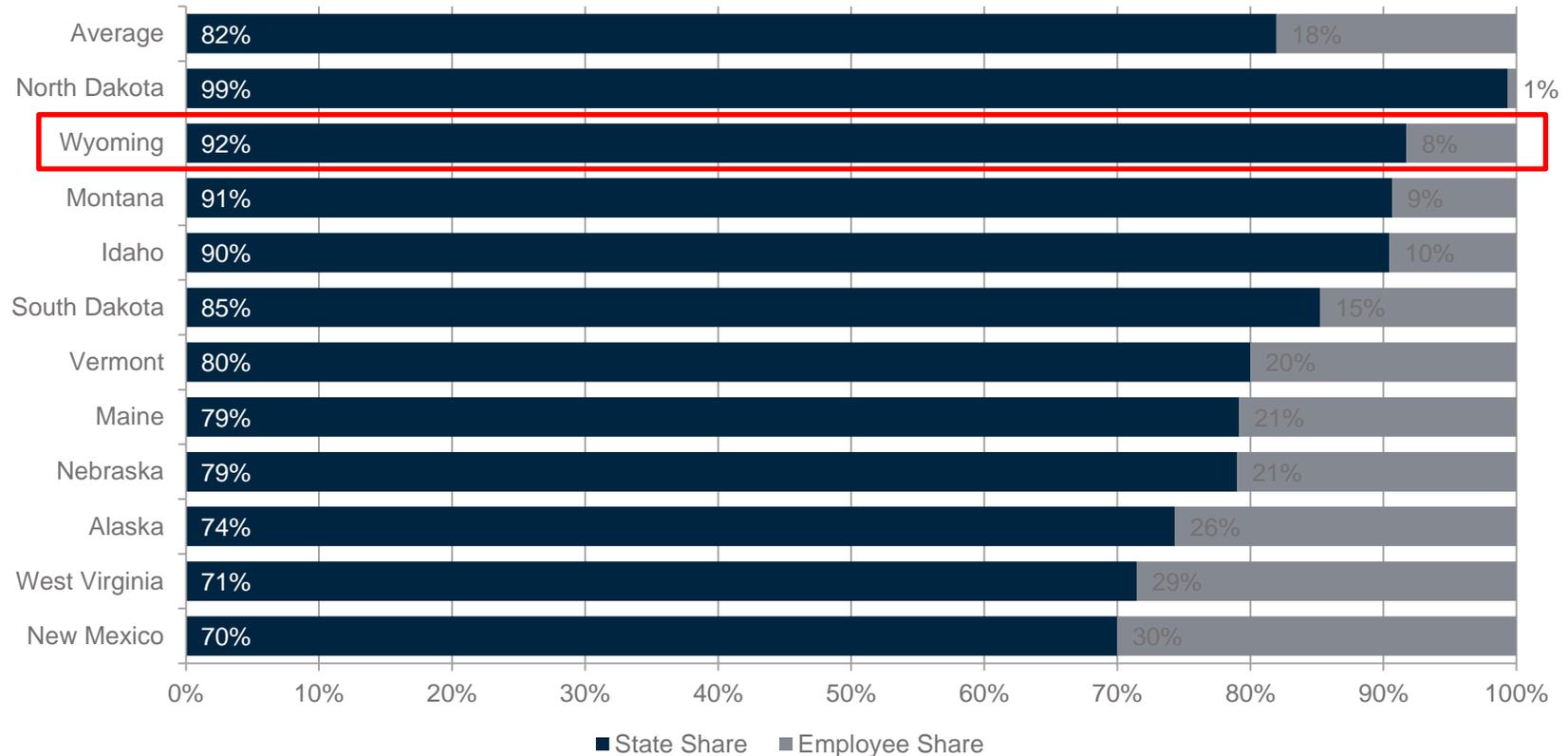
Ten state benchmarks were selected based on geography, population and income^[5]



Cross Agency Analysis and Benchmarking

Employee Health Benefit Benchmarks

Employee Health Benefit Spending Comparison^[6]

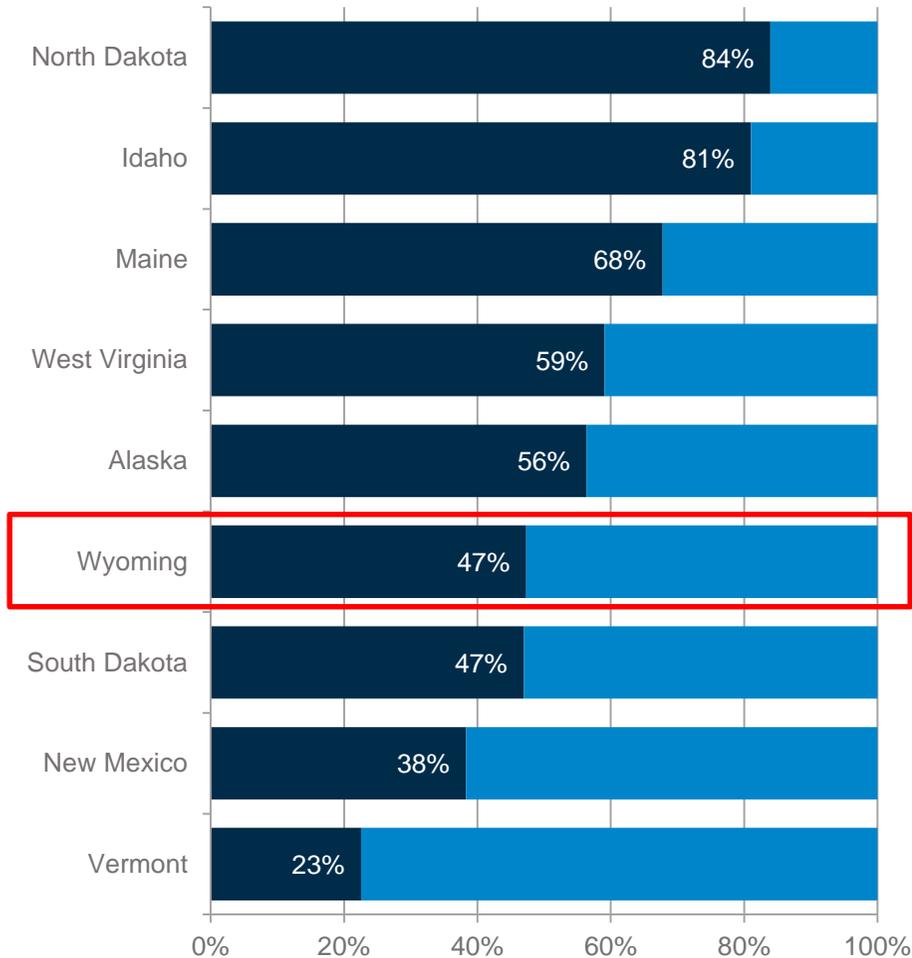


The cost of providing healthcare in Wyoming is significantly higher than the national average, reflected in marketplace premiums for the State being 44% above average. The State covers a significant portion of healthcare to help offset cost incurred by state employees.

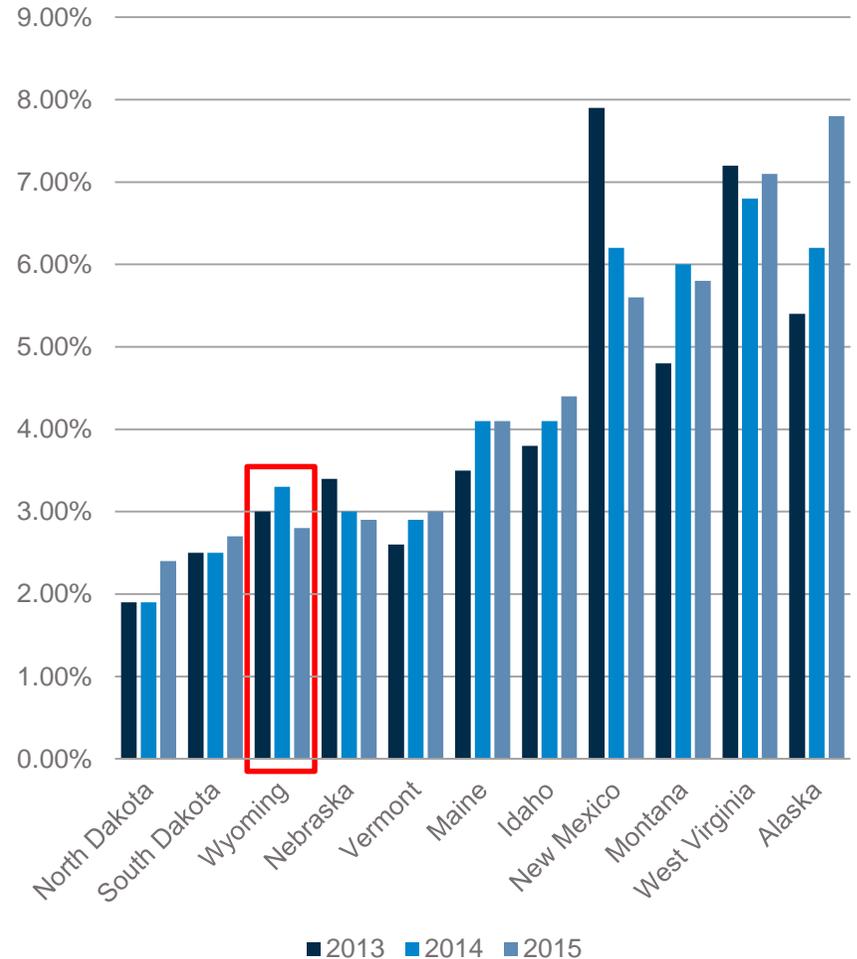
Cross Agency Analysis and Benchmarking

Pension Spending Benchmarks for Annual Required Contribution (ARC)

Annual Pension Spending as a % of ARC^[7]



ARC as a % of Local Source Spending^[8]



Cross Agency Analysis and Benchmarking

Summary of Observations and Recommendations

	Observations	Recommendations
Human Resources	<ul style="list-style-type: none"> • Departmental Responsibilities: The Human Resources Division (HRD) provides centralized Human Resources support to for a number of state agencies. The Agency HR function within the Department of Administration and Information (A&I) provides support to smaller agencies including the Governor's Office, the Governor's Residence, the Wyoming Office of Homeland Security, the Office of the State Public Defender, the Wyoming Livestock Board, the School Facilities Department, the Professional Teaching Standards Board, the Wildlife and Natural Resources Trust, and the Miner's Hospital Board • Compensation: HRD seeks to ensure fair and equitable pay across employees by agency and job category. Compensation does not allow for non-discretionary bonuses. The State can now fix salary inequities without reclassification. Pay tables are tied to market data and are coupled with performance metrics to determine employee compensation. Employees get an additional \$40/month for longevity after they have been with the State for 5 years. • Reporting Capabilities: Given increased internal controls at the State Auditor's Office (SAO), HRD has had to change their reporting practices. Because of system interface issues, there are a number of reporting processes, where HRD is required to pull data from a variety of sources and manually integrate the information to develop the desired reports. 	<ul style="list-style-type: none"> • HRD should work with the State Auditor to ensure that their requirements are being incorporated into the new Consultants to Governments and Industries (CGI) upgrade / implementation. As part of this, HRD should explore opportunities to better utilize the system being implemented to improve reporting on HR metrics and further drive down remaining manual processes (e.g., check issuance, purchase orders for P-card usage, etc.) through additional customization efforts. • During the ERP implementation, HRD should prioritize transitioning the manual position control processes into the upgraded CGI system to eliminate manual process.

Cross Agency Analysis and Benchmarking

Summary of Observations and Recommendations

	Observations	Recommendations
Human Resources (continued)	<ul style="list-style-type: none"> • Agency-level Human Resources: The majority of agencies in the State have an independent HR function. Agencies initiate the payroll transactions, HRD approves all payroll transactions, and SAO executes on the payments. Agency HR departments also partner with HRD for personnel investigations. Variations across agencies have led to inconsistent application of HR policies and procedures. To avoid current system challenges, agencies are purchasing individual Human Resources Information Systems (HRIS) solutions. • Performance Management: The State conducted a classification and pay study for all state employees and created new job classification and pay tables that tied the data to market salary information. The State has also developed a new performance management system which allows them to connect employee pay to both performance and market rates. • Succession Planning: The State is starting to evaluate succession planning and talent pools as result of employee feedback on professional development in the most recent employee survey. 	<ul style="list-style-type: none"> • The State should identify opportunities to improve coordination between agency-level HR functions and HRD. This could include training on statewide HR policies and procedures, improving system interfacing, and increasing overall communications between the functions. • The State should consider implementing a fully integrated HRIS, that would allow for system interfacing across, HRD, the SAO, and the agencies. An integrated system could mitigate challenges created from individual agency purchasing of HRIS solutions. • The State should use data from the new performance management system to better engage in identifying top talent and developing employee succession plans
Benefit Management	<ul style="list-style-type: none"> • Family Medical Leave Act (FMLA): The handling of FMLA leave is managed by the agencies with exception based support by the A&I Human Resources function. There is no central tracking of FMLA leave and the State does not use a Third Party Administrator for leave management or to adjudicate claims. 	<ul style="list-style-type: none"> • The State should begin to track leave types for the purposes of centrally managing leave and assess whether the State could benefit from outsourcing FMLA and other leave management decisions.

Cross Agency Analysis and Benchmarking

Summary of Observations and Recommendations

	Observations	Recommendations
Retirement and Pension	<ul style="list-style-type: none"> • Retirement System Overview: The Retirement System administers retirement benefits for public employees throughout the State through eight separate defined benefits plans and one deferred compensation plan. • Workforce Trends: It is estimated that 45% of the State's employees are eligible to retire in the next five years. There are currently about 29,000 active retirees. • Payment Processes: The Retirement System currently pays a majority of regular benefit payments through electronic deposit. One-time benefits are paid by issuing paper checks due to the limitations in the vendor setup in the financial system. This results in manual checks being issued often to individuals in a state of transition, which often leads to misrouting and substantive rework. WRS pays out retirement benefits through an arrangement with the SAO. • Retiree Liability: The State Retirement Board decided to be more conservative, raising discount rates to calculate the long-term liability from 7.75% to 7.0%, which increased the estimated liability. The recent valuation of net Other Post Employment Benefit (OPEB) liability increased by 48% to \$120.4 million as of the 2016 CAFR. The State self-insures for current retirees. • Deposits: The Retirement System takes in about \$1.4 million per day in deposits, which sits in a treasury account until the payroll is made and the end of the month. 	<ul style="list-style-type: none"> • The State should seek to adjust business processes or change associated statutes to exempt WRS from the required use of the SAO to process benefit payments. The goal of the changes would be to identify alternative means for processing payments and/or to allow WRS to evaluate the benefits payment options provided by the current custodian, Northern Trust. While the Integrated Disbursement product is similar the service provided by the SAO, the Benefit Payment Services product may allow for consolidation of other services currently provided by multiple vendors under a single contract. • The State should establish processes for immediate transfer deposits made to the Retirement System to their account with Northern Trust to maximize investment returns.

Cross Agency Analysis and Benchmarking

Summary of Observations and Recommendations

	Observations	Recommendations
Retirement and Pension (continued)	<ul style="list-style-type: none"> • Employee Share : The State sets the employer contribution rate. Some school districts that pay both the employer share and up to 100% of the employee retirement contribution as a part of the benefits package. • Retiree Payouts: Upon retirement, retirees get payouts for up to 960 hours of annual leave and half of their sick leave balance. Agencies must fund payouts from their budgets. • Electronic Environment: The Retirement System utilizes mostly electronic processing, but retains approximately 1.2% of the monthly distributions that go out in check format. 	<ul style="list-style-type: none"> • The state should create accrued liability accounts by agency to avoid budgetary shortfalls created when the agency has a staff member retire, triggering retirement payouts.
Employee Group Insurance	<ul style="list-style-type: none"> • Program Overview: The Employee Group Insurance, a program within HRD, provides various benefit plan administration services from the Executive Branch, the University of Wyoming, community colleges, and the Natrona County School District. • Employee Share: Due to above average premium costs, the State pays about 92% of health benefit contributions, compared with an average of 83% for peer states. • Policy: EGI requires employees to work 20 hours for coverage. School districts have the ability to opt into the plan, but a majority of districts require 30 hours for eligibility and provide stop-loss coverage, which makes the state plan more expensive for school districts. • Wellness Programming: The State had a wellness program that was defunded by the Joint Appropriations Committee in 2011 due to cost. 	<ul style="list-style-type: none"> • The State should conduct a study of comparable employee benefit programs from both public and private sectors to look for newer health care management offerings such as the implementation of a Wellness Program to support member wellbeing and engagement, increased use of Health Service Account (HSA) plans, and other administrative efficiencies. • Given the eligibility and coverage requirements of school districts, the State should create a separate health insurance plan for school districts to reduce cost, particularly for stop loss, increase administrative efficiencies, and standardize offerings to attract and retain Wyoming teachers. Requiring all school districts to purchase insurance through the collective plan could yield significant savings in health care spend through reduction in administrative costs and by spreading the health risk across the entire K-12 staff population.

Cross Agency Analysis and Benchmarking

Summary of Observations and Recommendations

	Observations	Recommendations
Purchasing/ Procurement	<ul style="list-style-type: none"> • Procurement Overview: The Procurement function within the A&I General Services division (GSD) develops formal competitive bids and requests for proposals to acquire goods and services for the State. The procurement team provides services to the majority of state agencies except the University of Wyoming, WYDOT, and community colleges. • Procurement Methods: The State uses three methods to procure goods and services: competitive sealed bidding, competitive negotiation, and noncompetitive negotiation. • Policy: State agencies are required to purchase copiers through the statewide contract. The State participates in NASPO-Value Point contracts when they cannot achieve better pricing on their own. • Staffing: The State has a procurement function with 6 FTEs and 1 part time role dedicated to purchasing that work with procurement staff in other departments and agencies. • Spending: The majority of procurement spend is from professional services, Of contracts awarded in FY2016, 63% of the total contract value was for the Department of Health (68 opened bids, 53 contracts). • Local Government Participation: School districts and some local government can participate in a number of the statewide purchasing contracts. The indemnifications in the statewide contract do not bind local governments, so they establish their own contract for loss protection. 	<ul style="list-style-type: none"> • Conduct a statewide strategic sourcing exercise of a select group of high spend categories. This sourcing event will involve taking each category through a complete strategic sourcing exercise which will include the followings steps: spend analysis, category assessment, category strategy, sourcing event, negotiation and selection, contracting and supplier transition. Examples of metrics that could inform analysis include: (a) vendor concentration (# of vendors comprising 80% of spend); (b) % of vendor spending negotiated through formal RFP process; (c) average POs per vendor. • The State should standardize requirements, specifications, and time frames for commonly purchased goods in order to streamline the number of vendors used, aggregate buying power across the State and enable volume pricing discounts. Contract options may take the form of: (a) state contracts; (b) stand-alone negotiated contracts; (c) negotiated contracts done in collaboration with surrounding districts.

Cross Agency Analysis and Benchmarking

Summary of Observations and Recommendations

	Observations	Recommendations
Purchasing/ Procurement (continued from previous page)	<ul style="list-style-type: none"> • Agency Procurement Process: RFPs are initiated by the agencies. Agencies are responsible for managing their own contracts. The Attorney General's (AG) office maintains contract templates and reviews vendor contracts before they are executed. A&I will enter into a contract on behalf of the agency. • Purchasing Card Program: The State's purchasing card (p-card) program is under the direction of the SAO, including all rebates, activities, issuance, and monitoring. An RFP was recently issued for a new p-card vendor. 	<ul style="list-style-type: none"> • Consider use of commitments of minimum buying levels to facilitate negotiations of discounts and rebates over specified buying thresholds. Add provisions that include tiering and volume discounts/rebates in all new contracts. • Establish a standardized, unified, center-led strategic sourcing and category management capability within A&I Procurement. The purpose of this function should be to develop deep expertise in the highest spend categories that state agencies consume, track and report spend across the State, maintain a list of key local/agency requirements for each category, have deep market place knowledge and be responsible for offering creative, viable solutions for satisfying needs for goods and services.
Technology	<ul style="list-style-type: none"> • Enterprise Technology Services: The State moved the Information Technology function toward a Shared Services environment with the creation of the Enterprise Technology Services (ETS) Department. • Systems Integrations: While ETS is charged with managing the technology infrastructure, there are a significant number of agencies that independently purchasing technology solutions. Decisions made by individual agencies regarding roll-out of agency infrastructure vary greatly in cost per device and total cost of ownership. 	<ul style="list-style-type: none"> • The greatest savings potential in technology can be realized through rollout of low cost/high quality technology options that are standardized across the agencies. Standardize recommended technology options across the agencies in order to leverage benefits of coordinated purchasing and volume discounts. This should minimize individual agency purchases of technology solutions. • The State should pay for systems and equipment that will drive efficiencies at the local levels that would ultimately reduce the amount of state funding required.

Span of Control Analysis

Savings Methodology

On a statewide basis, Wyoming's Span of Control ratio of front line staff to supervisors is 4:1, lower than target benchmarks of 6:1 and significantly lower than best practice levels of 12:1. To estimate the savings associated with increasing span of control, the average supervisor salary was compared to the average salary of front line staff. Increasing the Span of Control can generate significant savings without a change in total staffing levels based on the average difference between supervisor salary and front line salary of approximately \$21,000.

	Current Staffing	5% Shift from Supervisors to Line Staff	10% Shift from Supervisors to Line Staff
Supervisors	2,333	2,216	2,100
Front Line Staff	7,581	7,698	7,814
Total	9,914	9,914	9,914

The goal of increasing Span of Control is not to reduce the number of state employees or to reduce current employee salaries, but rather to shift roles from supervisors to front line staff through attrition. As supervisors leave employment with the State, efforts should be made to backfill their vacancies with front line staff level positions. Increasing the number of front line staff not only generates savings associated with reduced salaries, but also streamlines the organizational structure and increases the level of service to citizens.

Retirement Benefits Payments Mechanisms

Savings Methodology

Retiree benefit payments are currently processed through the State Auditor's Office (SAO). The cost associated with providing this service is calculated through the statewide cost allocation formula. The Retirement System received quotes from Northern Trust for two products to offer benefits payment services to the State^[9].

- **Integrated Disbursement Product:** This product would be most similar to the service that is currently provided by the SAO, where Northern Trust will issue direct deposits or paper checks to retirees. It does not include ancillary services like tax reporting, tax payments and 1099 issuance.
- **Benefit Payment Services Product:** Services associated with this product exceed payment of benefits and include 1099R issuance and tax reporting, as well as benefits management for retirees. It also includes services that the State currently contracts for with other vendors.

Payment Mechanism	Cost Estimate
State Auditor's Office (<i>Current</i>)	\$490,000
Northern Trust Option #1 (<i>Integrated Disbursement Product</i>)	\$100,000
Northern Trust Option #2 (<i>Benefit Payment Services Product</i>)	\$406,000

The State should explore the options to transition payment of retiree benefits from the State Auditor's Office to Northern Trust. While the Integrated Disbursement Product appears to be the most cost effective alternative, the State should evaluate whether the expanded benefits provided through the Benefit Payment Services Product would provide opportunities to drive efficiencies in other areas.

Strategic Sourcing Exercise & Collaborative Purchasing

Savings Methodology

Each agency has separate procurement staff that partners with A&I's Procurement team mostly for compliance purposes during the procurement process. There is limited coordination of purchasing

across agencies. The State maintains a copier contract that agencies must use to purchase copying machines. The majority of contracting is done on an individual agency basis.

Improving coordination of purchasing across agencies would allow the State to take advantage of volume to drive more favorable pricing. A strategic sourcing exercise would give the State more insight into how procurement efficiencies could be achieved across purchasing categories. The potential savings estimate was generated by evaluating the state contracts that were awarded in FY2016^[10] against a low and high percentage savings of 4% and 8%, respectively, developed from prior experience conducting shared services assignments in commercial and government procurement.

Agency	Amount of Contracts	Opened Bids	Awarded Contracts
Department of Health	\$79,915,454	68	54
DEQ	19,645,092	32	30
A&I	7,092,780	52	33
Military Department	3,363,986	48	36
State Parks and Cultural Resources	2,594,296	65	40
Department of Family Services	2,358,481	16	15
Oil & Gas Commission	2,140,587	8	7
Department of Corrections	1,926,308	91	54
Education	1,864,828	21	19
ETS	1,500,000	4	1
Retirement System	1,123,550	5	3
Attorney General	797,280	16	11
Treasurer	610,836	3	1
Workforce Services	433,240	20	10
Game and Fish	339,890	6	3
State Lands	337,815	12	8
Department of Agriculture	291,391	13	8
State Auditor	283,200	2	1
Professional Teaching Board	50,000	1	1
State Engineer	21,696	1	1
Secretary of State	14,082	3	1
Water Development Commission	12,294	2	2
Livestock Board	12,161	1	1
Governor	7,000	1	1
TOTAL	\$126,736,247	499	345

Cross Agency Estimates

ESTIMATED ONE-TIME INVESTMENT AND BIENNIAL SAVINGS

Investment and savings ranges shown below reflect estimates of the impacts of A&M recommendations for federal funds, process, technology and shared services changes. These amounts are subject to change based upon the implementation strategies selected. In addition, potential costs associated with additional planning activities are not reflected in these estimates.

	Est. One-Time Investment (State Funds)		Est. Net Biennium Savings (State Funds)	
	Low	High	Low	High
Statewide Strategic Sourcing Exercise	\$1,000,000	\$1,250,000	\$5,000,000	\$10,000,000
Electronic Payment of Pension Benefits	0	0	220,000	420,000
Direct Deposit of Employee Contributions	0	0	861,000	1,722,000
Implement Span of Control Changes	350,000	750,000	4,904,395	9,808,791
Employee Benefits Revisions	500,000	750,000	10,000,000	20,000,000
State Total	\$1,850,000	\$2,750,000	\$20,985,395	\$41,950,791



Outline

- I. Executive Summary
- II. Background and Purpose
- III. Cross Agency Benchmarking and Analysis
- IV. Department of Administration & Information
- V. Department of Education
- VI. Department of Health
- VII. Department of Revenue / Department of Audit
- VIII. Other \$20M Agency SAGE Reports

Overview

- The Department of Administration and Information (A&I) provides services to all branches to Wyoming's state government through the divisions of Human Resources, General Services, Economic Analysis, Budget, and the State Library.
- The A&M team reviewed key processes and functions within A&I, including budgeting, insurance and risk management, motor pool, and facilities operation and trades management.

Observations

- Considerable savings have been generated through the motor pool's implementation of system-wide GPS tracking, however there is a heavy reliance on permanently assigned vehicles as opposed to shared vehicles.
- The State does not have metrics or reporting to clearly track and monitor space utilization.
- The State manages an intensive budget process that engages the agencies, but budget adjustments are made on a largely incremental basis.
- A significant portion of the workers compensation debt reflects penalties and interests, and is largely uncollectable.

Recommendations

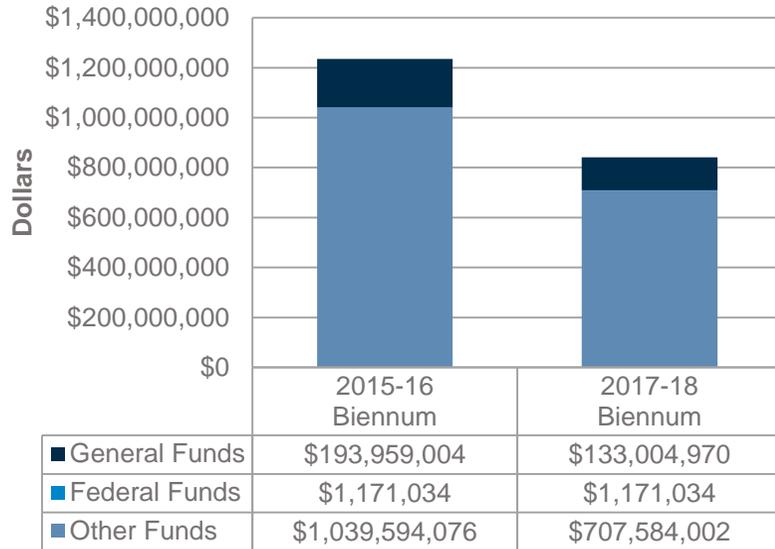
- Conduct a study to identify surplus real estate and land that could be sold to generate revenue for the State.
- Review space utilization of state agencies to ensure optimized usage of state-owned real estate.
- Expand shared services in the motor pool and use of technology for vehicle sharing.
- Enable a debt write-off for outstanding workers compensation debt.
- Establish a performance based budgeting approach.

Department of Administration and Information

AGENCY PROFILE

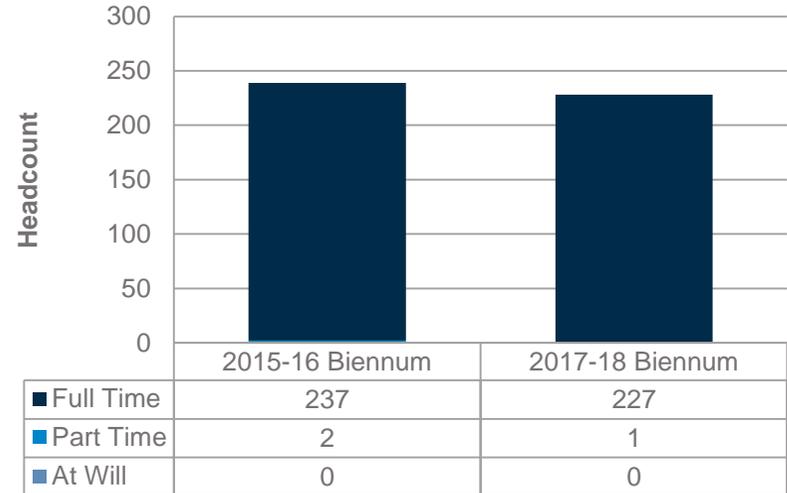
Budget Trend^[11]

Biennium Budget



Headcount Trend^[11]

Biennium Budget Headcount



Key Performance Indicators

% Budget dedicated to Employee Benefits ^[13]	87%
Number of Square Feet of Leased Space Managed	869,498
Amount of Contracts Let Across Agencies	\$126,736,247
Number of Vehicles Managed ^[2]	1,200

Administrative Costs

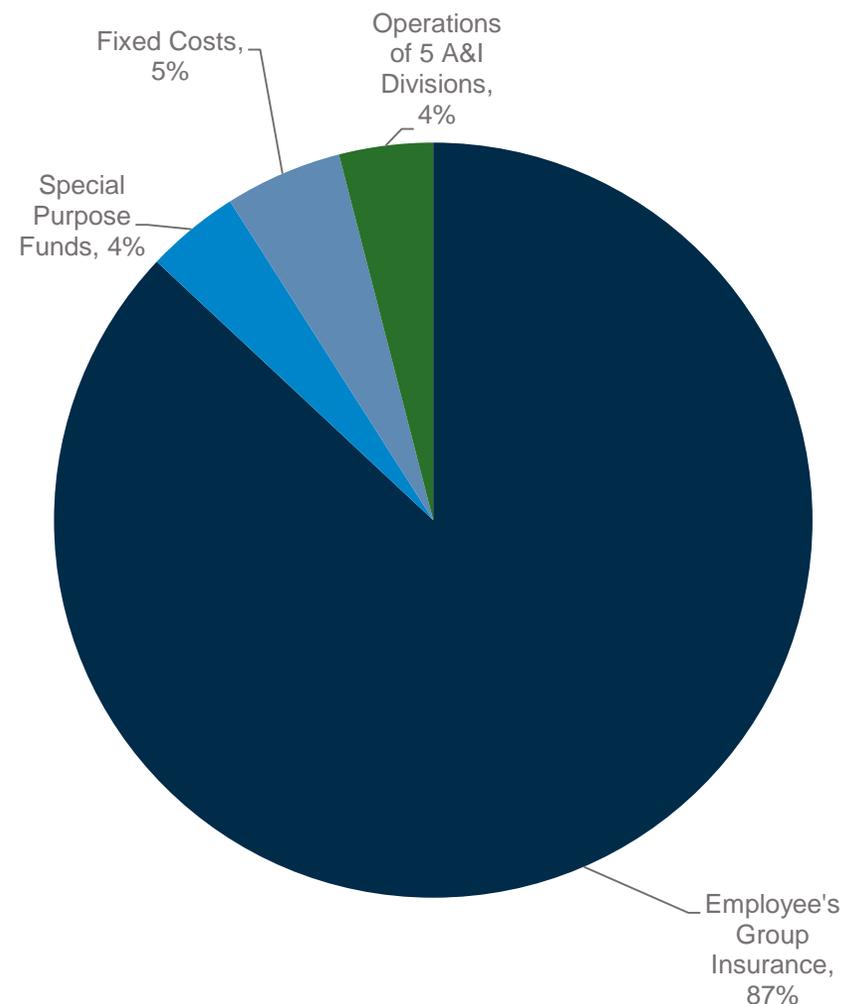
Departmental FTE ^[11]	228
FTE Per Million Residents ^{[11],[12]}	389
Department Budget ^[11]	\$ 841,760,006
Budget Per Capita ^{[11],[12]}	\$ 1,438

Administration & Information Budget

The Department of Administration and Information(A&I) Budget.

Key Findings^[13]

- The majority of funding (87%) that is allocated to the Department of Administration and Information(A&I) is to fund the Employee's Group Insurance program.
- Special Purpose Funds (e.g. vehicle depreciation, federal library funds) represent 4% of the budget.
- Fixed Costs (e.g. leases, GF appropriations to Risk Fund, etc.) represent 5% of the budget
- Only 5% is dedicated to the operations of the five A&I divisions:
 - General Services
 - Human Resources
 - Budget
 - Economic Analysis
 - State Library



Department of Administration and Information

Summary of Observations and Recommendations

	Observations	Recommendations
Staffing / Organization	<ul style="list-style-type: none"> • Organization Responsibilities: The Department of Administration and Information (A&I) responsibilities include: budget and accounting, human resources, motor pool, surplus assets, and procurement. • Organizational Structure: With some exceptions and other than the Information Technology unit, which was consolidated two years ago, the central departments including Human Resources, General Services, Finance, and Program Management provide policy oversight, but do not provide dedicated shared services for the partner agencies. • KPI Budget per Capita: The Administration and Information department maintains a budget of \$1,438 per resident in the State, which is above peer benchmarks due to the high degree of manual processes in the State. 	<ul style="list-style-type: none"> • The State should conduct a Statewide Organizational and Human Capital study to assess the value of shared services, including a line of service (LOS) category analysis. The LOS analysis systematically defines the agency programs to create a comprehensive catalog of services that align with the agency's mission, values, and goals. The review should help in identifying overlapping responsibilities across agencies, identify opportunities to reduce lines of service, supplemental lines of service that should be added, or operating model efficiencies that could be implemented across agencies. Based on the findings of the review, the State should consider implementing a shared services model for a number of functions across the State, including Human Resources, procurement, and finance.
Workforce Trends	<ul style="list-style-type: none"> • State Employee Count: There were 8,227 state employees as of July 2017, down 4.2% from the ten-year peak at 8,595 in 2010. The span of control of front line employees to state supervisors is approximately 4:1. • Turnover: State employee turnover was 14.8% in FY2016, slightly below the five year average of 15%, but well above public sector benchmarks of 9%. • Hiring Freeze: The State instituted a hiring freeze on any positions left vacant as of April 30, 2017. In anticipation of this freeze, agencies made efforts to fill all open positions, with the number of vacancies decreasing from 96 in March 2017 to 3 in April 2017. 	<ul style="list-style-type: none"> • The State should conduct a statewide staffing analysis to evaluate staffing levels and span of control to ensure organization personnel structures are in line with best practices.

Department of Administration and Information

Summary of Observations and Recommendations

	Observations	Recommendations
Budget	<ul style="list-style-type: none"> • Budget Division Overview: The Budget Division provides budgetary assistance to the Governor, other elected officials, executive branch agencies and the judicial and legislative branches with respect to biennial and supplemental budget preparation, submission and administration. • Budget Process: There is an intensive annual process where agencies submit their budget requests and the Budget Division works with the Governor to review the budget and make final recommendations. • Financial Monitoring: There are two main financial systems the State uses – WOLFS and IBARS, which are aligned at the object code level. Agencies are able to access these systems for reporting and financial monitoring purposes throughout the fiscal year. • Federal Grants Budget: Budgeting and reporting for federal grants happens primarily at the individual agency level. The State owns the CGI Grants Management System, but the State does not use the system for centralized processing or tracking of federal grants information. A&I directly receives limited federal funding for the state library. • Incentives: The State created disincentives for agencies to independently find savings by following a standard spread reduction in costs after agencies came forward with proposed savings. 	<ul style="list-style-type: none"> • The State should establish a Governor's Grants Office (GGO) to ensure that grants and other federal funds are strategically pursued, that proper tracking and reporting is being conducted, and that all programs stay in compliance with their federal mandates. The GGO should work with partner agencies to improve surveillance and pursuit of potential grants to maximize federal funding to the State. • The State should transition from the incremental budgeting process to a Performance-Based Budgeting (PBB) approach driven by the relationship between program funding and the expected results. The PBB approach should define the government programs by agency, create KPIs and workload drivers by program, estimate impacts of changes to the performance measures based on budgetary changes, and align with the strategic plans of the agencies. • The Department should work with the SAO to determine the needs for an upgraded Grants Management System to both meet the current needs of the State Agencies and create additional functionality to enable the State to accept fiscal agent responsibilities for School District grant oversight and requests.

Department of Administration and Information

Summary of Observations and Recommendations

	Observations	Recommendations
Economic Analysis	<ul style="list-style-type: none"> • Departmental Responsibilities: The Economic Analysis Division (EAD) is responsible for managing the State Data Center and Decennial Census databases. EAD also develops demographic and economic forecasts and projects and monitors State revenues. EAD generates the Wyoming Cost of Living Index and provides policy and economic analysis to government agencies through published reports and presentations. 	<ul style="list-style-type: none"> • The EAD should continue to maintain conservative revenue estimates, especially with regard to mineral taxes, which are particularly crucial in the current revenue environment.
Insurance and Risk Management	<ul style="list-style-type: none"> • Departmental Responsibilities: Risk Management occurs through the State Self-Insurance Program and operates within the General Services Division and procures insurance and manages claims for liability, property, vehicle and aircraft insurance coverage, police liability, loss prevention, 1982 suits, and only excess loss is adjusted by insurers. • Policy: Insurance and risk management services are provided across a number of functions throughout the State, including property & casualty claims from the public, coverage of all peace officers throughout the State, and auto liability through the self-insurance fund. The State conducts actuarial studies for insurance every three years. The University of Wyoming, except University of Wyoming medical coverage and school districts are covered separately. 	<ul style="list-style-type: none"> • The State should evaluate the opportunity to develop insurance programs / contracts for the school districts to collectively purchase risk management services to yield more favorable pricing.

Department of Administration and Information

Summary of Observations and Recommendations

	Observations	Recommendations
Facilities Operation and Trades Management	<ul style="list-style-type: none"> • Facilities Operation and Trades Management Overview: Facilities Operations provides janitorial services and grounds maintenance for the Capitol Complex and state-owned building in Cheyenne, while Trades Management provides the maintenance services, including heating and air conditioning, electrical, building access control, and plumbing. • State Office Space: The Capitol Complex is undergoing major renovation. As the project advances into 2019, General Services Division has a goal of moving as many employees out of leased space and into state-owned property as possible. • Leasing Policies: The Division Leasing Program is responsible for statewide rental of real property, including negotiating leases, maintaining property records, and providing the required accounting documentation to A&I. Lease payments for FY2017 totaled \$11.5 million for 869,498 square feet; 86% of leases are paid annually, 13% semi-annually, and the balance quarterly. • Centralized Assets: There is no required reporting for centralized assets. 	<ul style="list-style-type: none"> • The State should develop a Long-Term Facilities plan that seeks to better utilize facilities over time, reduce excess lease capacity, and sell off excess inventory. • The State should revise the statutes to move from a concurrent authorization process to one where the Long Term Facilities Utilization Plan is presented to the State Building Commission for approval and final decision. When the agency being moved does not agree with the transition, alternative plans and justifications may be presented to the agency's board for consideration and adjudication by the State Building Commission as the independent arbitrator. • The current legislation governing office space parameters leaves significant discretion to the agency and should be adjusted to increase enforceability to ensure the State is optimizing office space. • The State should evaluate options to develop a centralized reporting function for asset management throughout the State that would give better insight into utilization metrics, in addition to square footage and valuation.
State Inventory and Surplus Property	<ul style="list-style-type: none"> • Inventory and Surplus Property Overview: Surplus Property operates as a unit of Procurement to receive and redistribute usable surplus items from federal and state agencies to other state agencies, governmental entities and private nonprofit organizations. 	<ul style="list-style-type: none"> • The State should Implement standard policies and procedures around managing physical inventory to reduce the overall size of the inventory and move toward Just In Time (JIT) delivery of goods and supplies where feasible, driving efficiency into the supply organization.

Department of Administration and Information

Summary of Observations and Recommendations

	Observations	Recommendations
Motor Pool	<ul style="list-style-type: none"> • Departmental Responsibilities: Motor Pool provides vehicle services to the executive branch and 63 other agencies, maintains a mechanic shop in Cheyenne to serve local vehicles and approves contracted services for vehicles located throughout the State. The University of Wyoming, the Department of Transportation (including the State Patrol), and the Game and Fish Commission each operate their own motor pool. • Policy: There are approximately 1,200 vehicles currently under motor pool management, of which 100 are available for daily rental; all other vehicles are permanently assigned. • Centralized Contracts: The Motor Pool has been moving toward centralized contracts. The division has established a statewide contract for tires and are in the process of putting together an additional statewide contract for vehicle purchases. • GPS System: The State instituted a GPS system for the tracking of state vehicles. During the first year of operations, the Motor Pool repurposed cars or 2.75% of the total. • Vehicle Types: A&I has started requiring agencies to provide justification for usage of SUVs instead of sedans, as costs are higher for larger vehicles. 	<ul style="list-style-type: none"> • The State should continue to drive efficiencies into the motor pool program by establishing an automated (application driven) checkout system to enable increased sharing of state vehicles in collocated areas such as Cheyenne, Laramie, Riverton, and Casper, or as determined through telematics data to maximize fleet use. • The State should look to consolidate oversight and management for vehicles under the A&I motor pool division to improve cost management and provide better insights

Governor's Grants Office / Federal Funds Office

STRATEGICALLY PURSUE FEDERAL FUNDS

Key Findings

- **The State of federal funds management:**
 - State agencies and local governments are responsible for grant management, including identifying new grant opportunities, fiscal and program management, and audit compliance
 - Audits and compliance efforts are conducted by the agencies and the Department of Audit.
- **A&M reviewed Maryland's Governor's Grants Office and Nevada's Office of Grant Procurement, Coordination and Management Budget. Both offices provide:**
 - Special Point of Contact (SPOC) for state and local governments, as well as non-profit and non-governmental agencies and foundations
 - Information resources, grants training, and technical assistance
 - Reports on federal grant expenditures and produce grant manuals

Recommendations

- **Wyoming should create a Governor's Grants Office (GGO) to enable:**
 - Strategic identification, analysis and prioritization of federal funding opportunities.
 - Risk assessment and compliance reviews of federal funds execution.
 - Review the SWCAP allocations procedures for revision and improved capture.
 - Technical assistance and tactical support to the school districts.
 - Oversight of systems implementation to facilitate better funds management.
- **The critical steps include:**
 - Issuance of an executive order creating the Governor's Grants Office.
 - Create cost allocation plan.
 - Hire federal fund director and key staff.
 - Appoint agency liaisons to the office

A&I Agency Savings Estimates

ESTIMATED ONE-TIME INVESTMENT AND BIENNIAL SAVINGS

Investment and savings ranges shown below reflect estimates of the impacts of A&M recommendations for federal funds, process, technology and shared services changes. These amounts are subject to change based upon the implementation strategies selected. In addition, potential costs associated with additional planning activities are not reflected in these estimates.

	Est. One-Time Investment (State Funds)		Est. Net Biennium Savings (State Funds)	
	Low	High	Low	High
Establish a Governor's Grants Office	\$375,000	\$750,000	\$1,500,000	\$3,000,000
Surplus Asset Sales	250,000	350,000	3,800,000	5,700,000
Expand Motor Pool Shared Services	0	0	50,000	100,000
Establish a Performance Based Budgeting Approach	0	0	0	0
State Total	\$625,000	\$1,100,000	\$5,350,000	\$8,800,000



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Overview

- The Wyoming Department of Education (WDE) supports 94,000 students across 48 school districts, with about 80% of districts having less than 2,500 students. Approximately 1% of schools operate as charter schools.
- Wyoming school enrollments have been relatively flat over the past three years.
- WDE enables equitable funding across school districts through the funding formula and budget allocation process.
- A recalibration exercise is in process to ensure all school districts are receiving the appropriate level of funding.
- Federal funds were compared to peer states and national averages to better understand the WDH funding structure.

Observations

- The State receives significantly less in Federal funds on a relative basis when compared to peer states and the national average.
- Wyoming is the only state that does not seek Medicaid reimbursement for school-based services
- Spending on special education (SPED) maintenance of fiscal support (MFS) is outpacing growth in SPED student population and total instruction expenditures.
- School districts are allowed to purchase benefits from the State plan, but only one district does so currently.
- The majority of school districts are small, thus more impacted by the cost of overhead, procurement, and other administrative services.

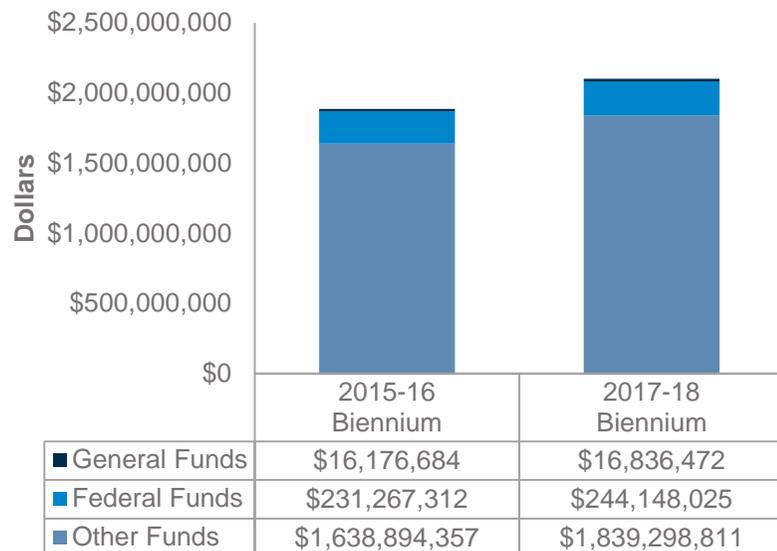
Recommendations

- Review reimbursement practices for SPED spending to identify options to reduce the growth in SPED expenditures.
- Study school nutrition across school districts and identify mechanisms to increase participation in Federal programs.
- Evaluate options to include school-based services in the Medicaid State Plan.
- Develop a consolidated plan that all school districts could use to purchase employee benefits.
- Develop cooperative purchasing plans to use collective buying power to drive more favorable procurement pricing.
- Establish regional shared services centers to allow for more efficient delivery of administrative services.

AGENCY PROFILE

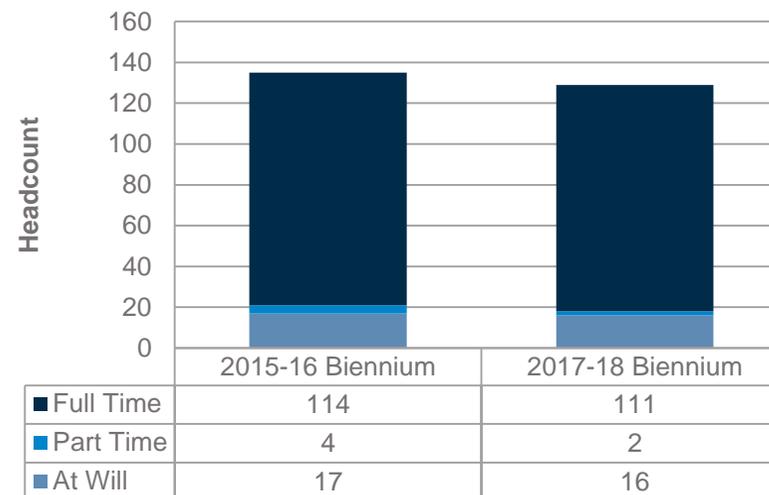
Budget Trend^[14]

Biennium Budget



Headcount Trend^[14]

Biennium Budget Headcount



Key Performance Indicators

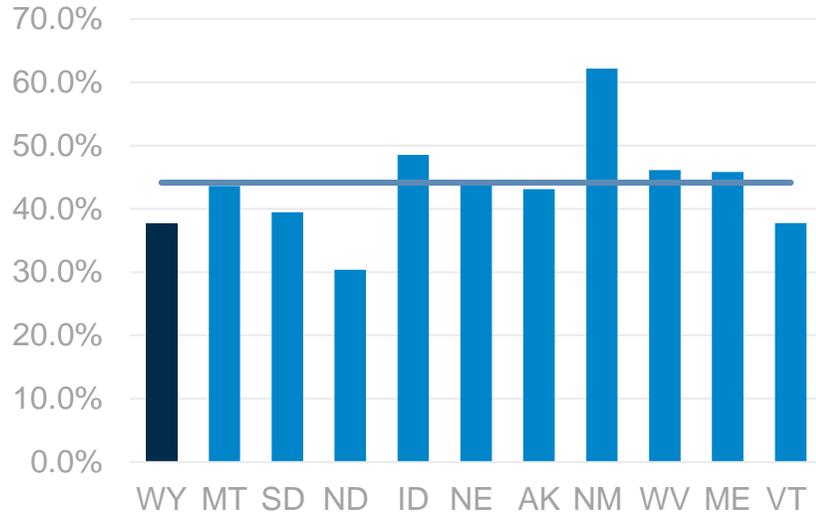
Number of Students (SY2016-2017) ^[17]	93,261
Number of School Districts	48
Average Students per District	1,943
\$ Per Student (Less Debt and Capital) ^[18]	\$18,218

Administrative Costs

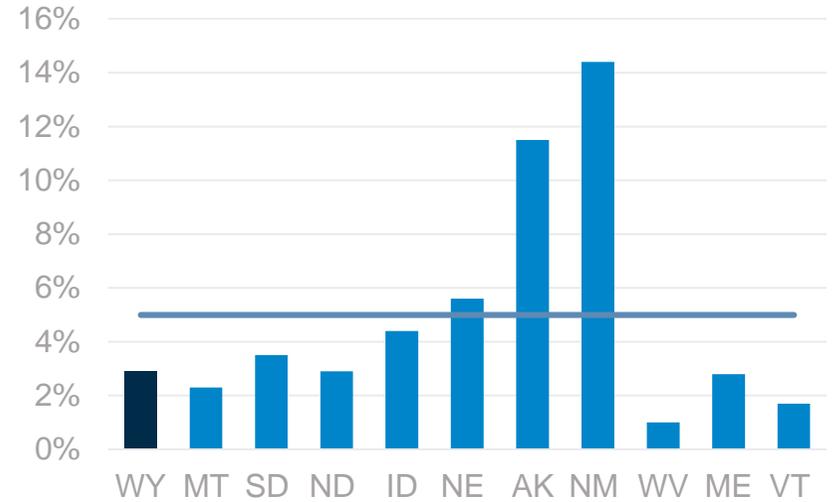
Departmental FTE ^[14]	129
FTE Per Million Residents ^{[14],[15]}	220
Department Budget ^[14]	\$ 2,100,283
Budget Per Capita ^{[14],[15]}	\$3,587.16

School District Characteristics^[16]

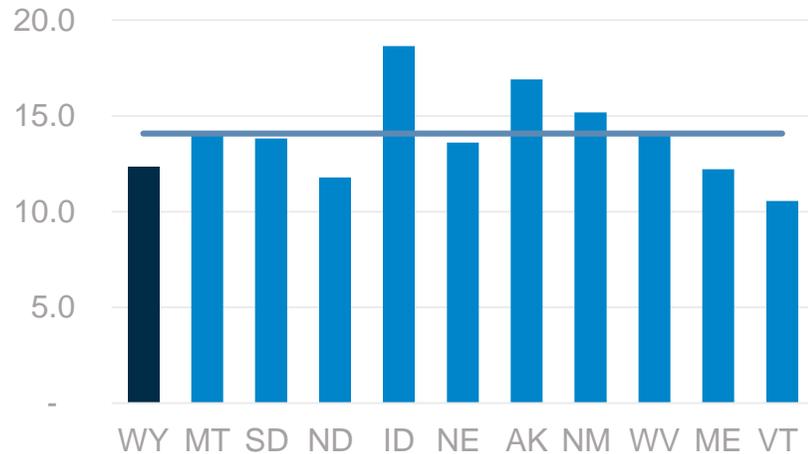
Percentage of Free and Reduced Lunch Students



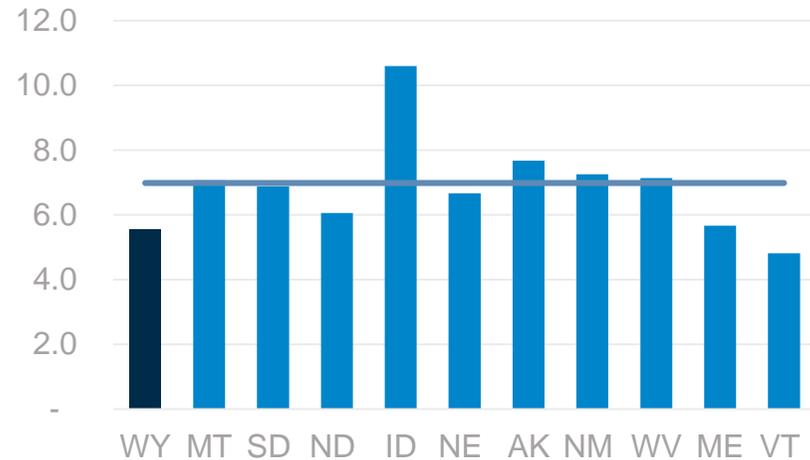
Percentage of English Language Learners (ELL)



Student to Teacher Ratio



Student to FTE Ratio

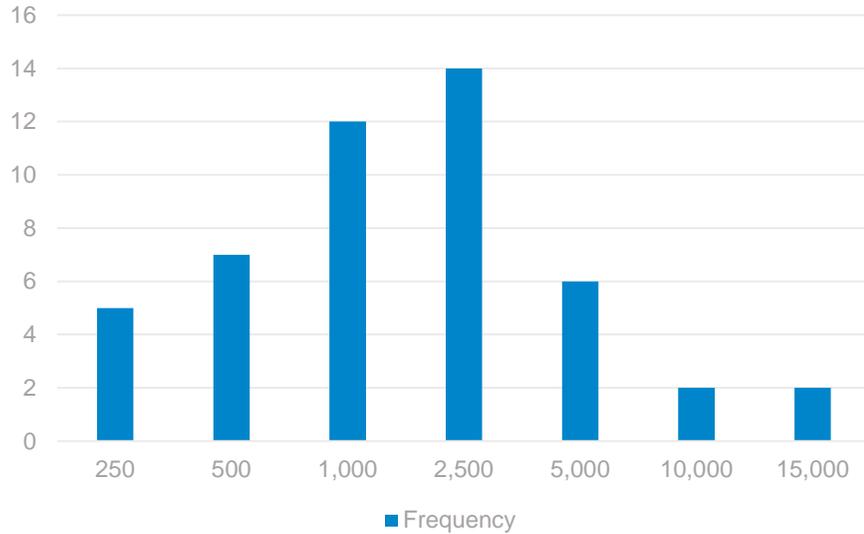


Wyoming Benchmark2 Average

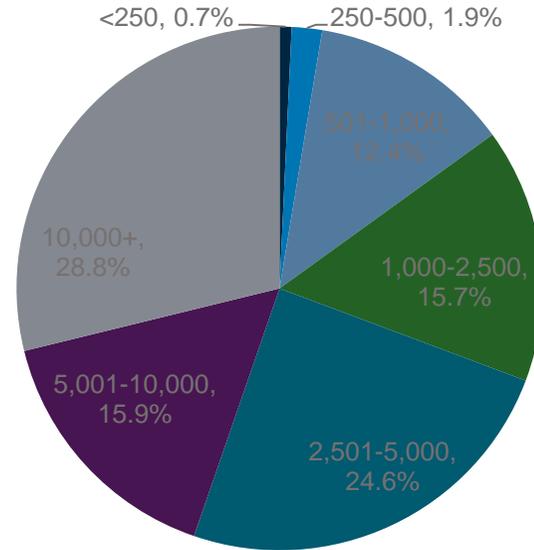
Wyoming Benchmark2 Average

School District Characteristics^{[17], [18]}

Number of School Districts by Enrollment Band

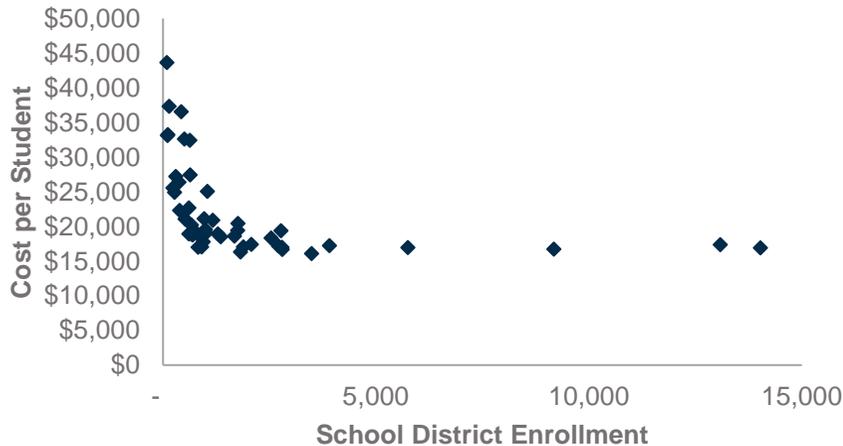


Percent of Student Population by Enrollment Band

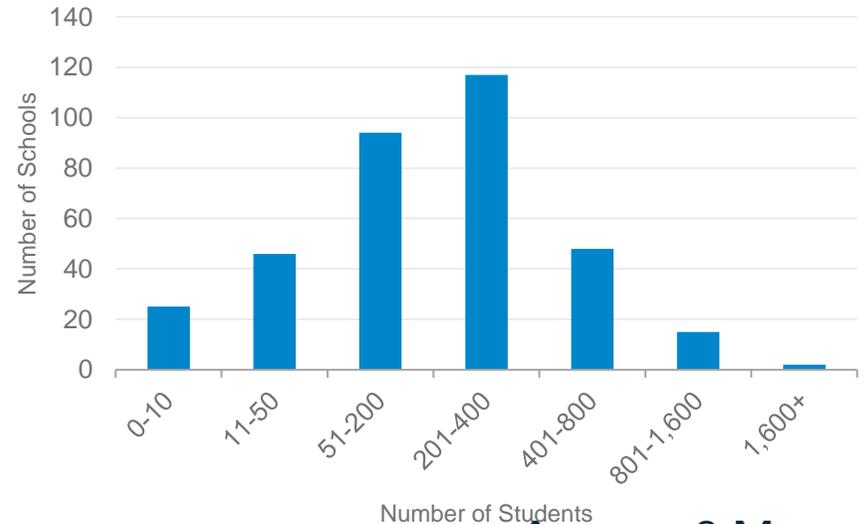


District Size vs. Per Pupil FY2016 Cost per Student

2015-16 Cost Per Student

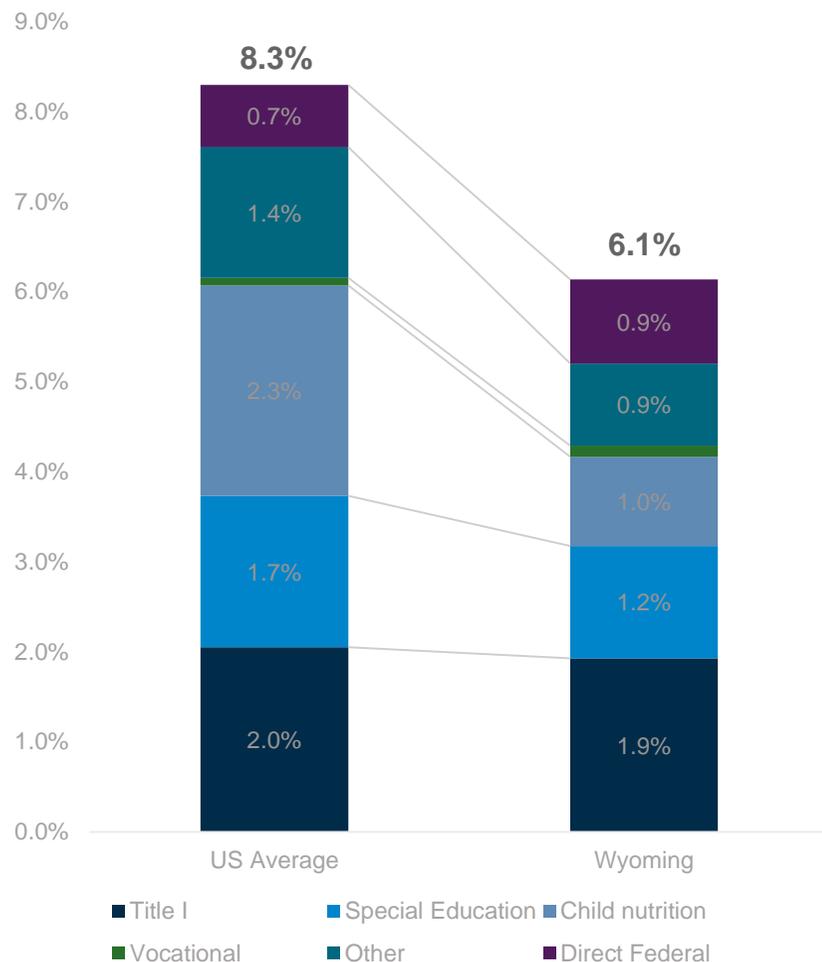


Distribution of Schools by SY2017 Enrollment



Federal Funding Profile for Schools^[19]

Federal Funding Profile for Schools



Note (1): The estimates are based on the relative funding difference between WY and national / benchmark averages.

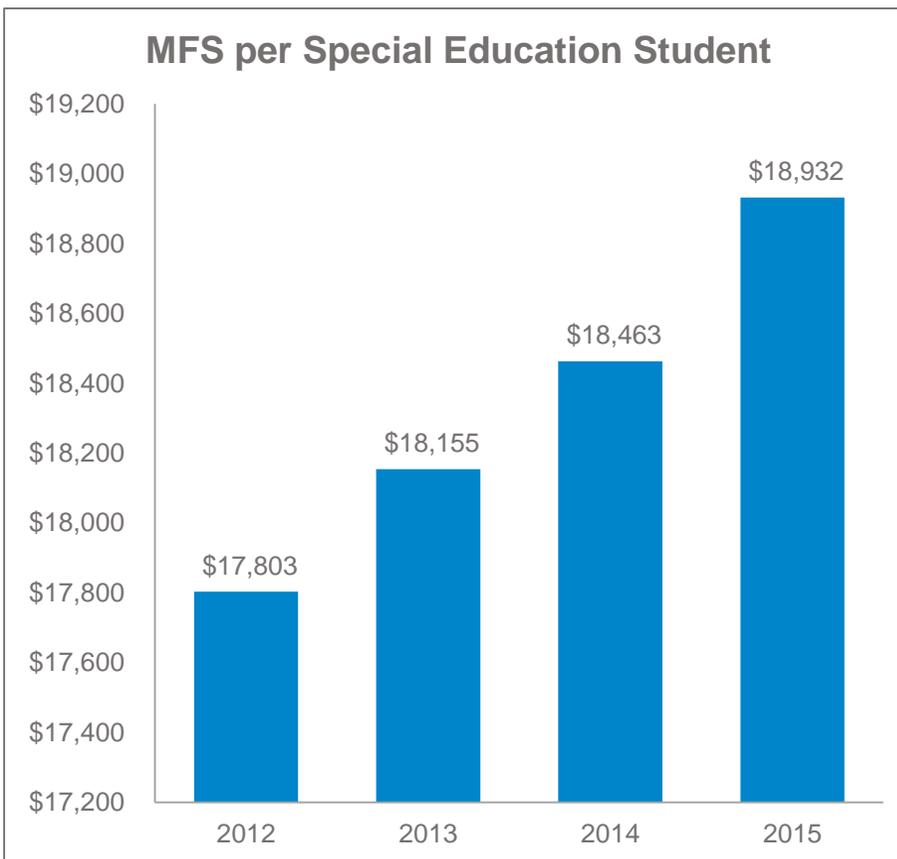
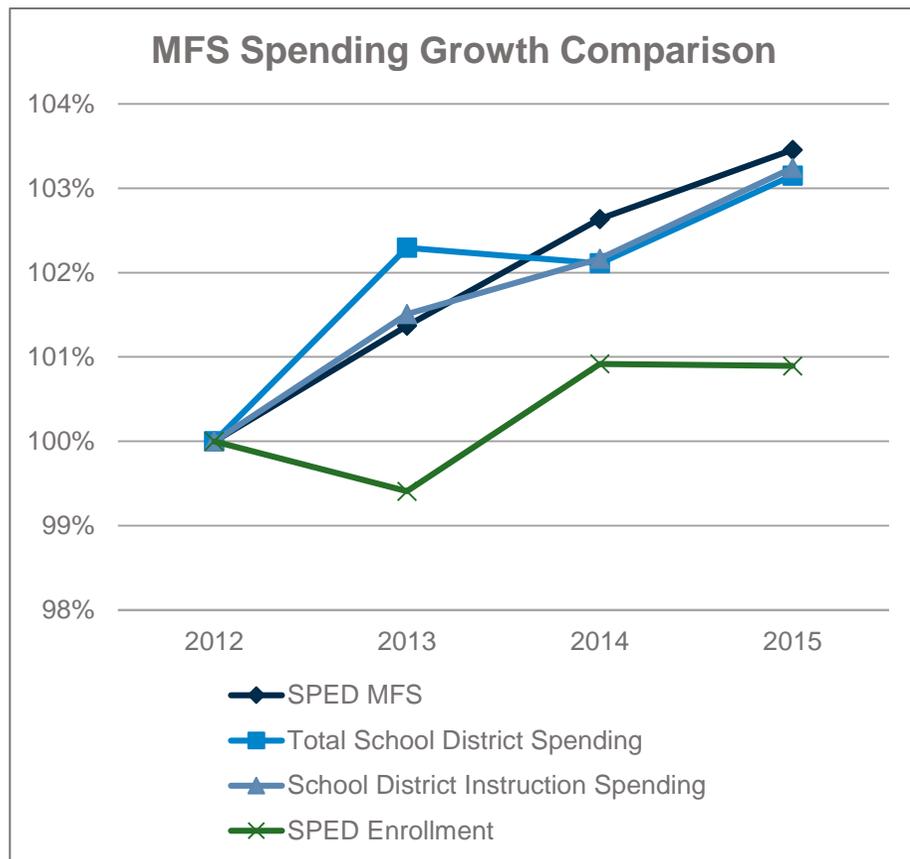
DRAFT

Key Findings

- **The State Receives 6.1% of total school district funding from federal sources versus 8.3% for the United States on average.**
- **The largest shortfalls occur in three areas:**
 - Special Education : 1.2% versus 1.7%
 - Child Nutrition : 2.3% versus 1.0%
 - Other Non Specific: 1.2% versus 0.9%
- **The total of these shortfall areas represent a 2.3% overall shortfall in federal funding for the State.**
- **The Federal Funding gap estimates in key areas are approximated by the following differences in funding based on Wyoming's Education budget:**
 - Special Education : \$8.6 million
 - Child Nutrition : \$26.4 million
 - Other Non Specific: \$10.5 million

Special Education Maintenance of Fiscal Support^[20]

The Special Education Maintenance of Fiscal Support (MFS) funding is growing at a rate that outpaces the growth in other metrics. The MFS per special education student increased over 6% between FY2012 and FY2015.



Department of Education

Summary of Observations and Recommendations

	Observations	Recommendations
Enrollment Trends	<ul style="list-style-type: none"> • Three-year Enrollment Trend: The enrollment has remained flat since FY2015 with enrollment falling by 42 students or 0.05% over the past 3 years. • School Size: The average school district has 1,943 students. The majority of school districts are considered small or very small, with 38 of the 48 school districts, or 80%, having less than 2,500 students, and 5 school districts having less than 250 students. • Student Demographics: The State's Special Education population of 13.9% is in line with national average. The percentage of English Language Learners (2.7%) and Low Income Students (38.6%) is lower compared to peer state averages of 4.2% and 41.6%, respectively. • Competition: The State allows for Charter schools to be established in the State with 1.1% of the total number of schools operating as charter schools. • Long-term Planning: The State uses historical enrollment trends to project funding model allocations. The School Facilities Division uses enrollment projections to estimate future capacity and facility needs. 	<ul style="list-style-type: none"> • While enrollment has been flat in recent years given the current economic challenges and the shifting demographics of the State, the State should develop a long-term enrollment forecast to anticipate and better plan for enrollment changes across school districts (i.e., the shift from rural to urban areas), ensuring long term financial stability across school districts.
School District Benchmark Comparisons	<ul style="list-style-type: none"> • Per Pupil Expenses: The State has higher per pupil expenses of \$18,218 relative to the peer average. • Student to FTE: The Student to Total FTEs ratio of 5.6 for the State is lower than peer group average of 7.0. The higher per pupil amount is the result of the State making investments in FTEs to provide student services and operate the schools. 	<ul style="list-style-type: none"> • WDE should evaluate opportunities to incentivize more efficient use of school district resources while maintaining or increasing the levels of service through the creation of regional and collaborative spending models, particularly in smaller schools and school districts could help to improve economies of scale and further drive efficiencies.

Department of Education

Summary of Observations and Recommendations

	Observations	Recommendations
School District Benchmark Comparisons (continued)	<ul style="list-style-type: none"> • Student to Teacher: The Student to Teacher ratio of 12.4 is lower than peer group average of 14.0 due to a strategic decision to invest in lower class sizes at the state level. 	
School District Resource Allocation	<ul style="list-style-type: none"> • Recalibration: The State is undertaking a school funding recalibration study to determine the appropriate level of guaranteed funding levels by district moving forward. The study is expected to be completed by the end of 2017. The recalibration effort will also explore “non-funding model” areas like master teachers and instructional facilitators. • Guaranteed Funding: The State provides guaranteed funding for all districts creating an allocation function that adjusts the funding levels for districts that are below the local funding level up to the calculated local funding level. • Entitlement Funding: School districts get funding directly from the counties and the State contributes the balance of what the funding model projects the district should get. If county funding is in excess of what the model projects, the State recaptures the funding, which goes into the school foundation budget. • Funding Model: The existing state funding model does not incentivize school districts to spend efficiently. Examples of this include allowing schools to defer routine maintenance until the school qualifies for state funded maintenance programs or paying for federal funding gaps rather than requiring the school districts to track and submit for federal reimbursement. 	<ul style="list-style-type: none"> • The State should transition several key funding areas, including child nutrition, special education, transportation, and technology at a minimum, to a cost reimbursement basis to enable better control of policy throughout the schools. Through this policy change, the school district spending would better align with WDE spending priorities and would improve the approach to the pursuit of federal funds.

Department of Education

Summary of Observations and Recommendations

	Observations	Recommendations
Federal Funding	<ul style="list-style-type: none"> • Federal Funding: Wyoming receives 6.1% of funding from federal sources, which is less than the US average of 8.3% and comparable state benchmarks of 10.1%. • Title I / Elementary and Secondary Education Act (ESEA) Funding: The State receives 1.9% of its funding from Title I which is in line with the US average of 2.0%. • IDEA / Special Education Funding: The State receives 1.2% of its funding from Special Education Funds, which is well below the US Average of 1.9% from IDEA grants. Currently, the State reimburses 100% of special education costs in accordance with state statutes. These funds have grown faster than overall district spend. Complicating efforts to reduce spend, the State risks losing funds if the state levels are not maintained at the same level as prior years.. • Medicaid: Wyoming is the only state that does not seek reimbursement from Medicaid for School Based Services. • Child Nutrition Funding: The State receives 1.0% of its funding from Child Nutrition Funds, which is well below the US Average of 2.3% from Child Nutrition Programs. In Wyoming, there has been a movement away from the USDA lunch program, with more districts self-funding school lunch due to challenges meeting nutrition requirements. • State Supplemental Funding: The State compensates for the lack of federal funding and limited local funds by providing a higher percentage of funding to the districts. 	<ul style="list-style-type: none"> • The State should institute a statutory change to add Medicaid services to the Medicaid State Plan and to allow for other sources of federal funding to be pursued (i.e., Child Nutrition, Housing, ROTC, Transportation, Department of Justice, and Homeland Security grants). These grants should be pursued at the state level, with the State acting as financial monitor and pass-through agent for the school districts. WDE should explore opportunities to partner with WDH for the tracking and billing of these services once the provision allowing them has been added to the State Plan. • The State should revise statute W.S. 21-13-320 and Chapters 7 and 8 of Wyoming Rules and Regulations to adjust the special education funding formula to cover 100% of special education funds “when combined with federal reimbursements.” Following the adjustment to statutes, the State should apply for the waivers required to adjust their expectations for meeting the MFS requirement based on the decline in the State’s financial resources. The funding requirements would be relaxed for a single year, and would revert to the level prior to the waiver. To support this initiative, WDE will need a transition plan at both the state and district levels. • The State should evaluate the current structure of the school nutrition program to ensure that the federal nutrition benefit is maximized while providing quality nutrition to the student population. WDE will need to support school districts in creating transition plans that outlines how they should request funding, define policies for what will be required for reimbursement, and train staff to ensure compliance with state and federal policies.

Department of Education

Summary of Observations and Recommendations

	Observations	Recommendations
Federal Funding (continued from previous page)	<ul style="list-style-type: none"> • Universal Access: The Federal E-Rate program that provides discounts of up to 90% to help eligible schools and libraries, based on poverty levels as estimated by the Free and Reduced Lunch (FRL) population, obtain affordable telecommunications and internet is not fully utilized in the State. The State has been recognized nationally for the work to expand the telecommunications infrastructure to schools having implemented 34 of 48 school districts to date. 	<ul style="list-style-type: none"> • The State should continue to work with the school districts to promote the E-Rate program, ensure they are accurately tracking E-Rate eligible spending to maximize the federal telecommunications benefit. WDE is currently working with school districts to identify gaps in E-rate utilization to better leverage resources available through the program.
Human Resources	<ul style="list-style-type: none"> • Recruiting: Recruiting efforts for hard to fill positions such as Special Education, Math, or Science create challenges especially for the smaller rural school districts. A particularly acute example of the challenges the State faces is that there are only 3 child psychiatrists in the State. In August 2017, the State launched a project to provide tuition reimbursement for Special Education teachers and related service providers. 	<ul style="list-style-type: none"> • The State should consider revising and/or enhancing the existing incentive programs to recruit and retain teachers that could include: (a) increasing signing bonuses; (b) expanding housing incentives; (c) expanding tuition reimbursement; and (d) providing innovative professional development programs.
School District Employee Benefits	<ul style="list-style-type: none"> • Group Benefits Insurance: School districts are allowed to purchase off of the state contract for employee benefits, but currently only one school district does so. • Insurance Trusts: Two professional organizations offer health benefit programs for school districts: The Wyoming School Boards Association (WSBA) and the Wyoming Employee Benefit Trust (WEBT). 	<ul style="list-style-type: none"> • Given the eligibility and coverage requirements of school districts, the State should create a separate insurance plan for school districts that meets their criteria. Requiring all school districts to purchase insurance through the collective plan would yield favorable pricing and spread health risks across the entire K-12 population.

Summary of Observations and Recommendations

	Observations	Recommendations
Technology	<ul style="list-style-type: none"> • Staffing: The larger districts have technology directors, but many of the smaller districts must hire consultants or have leadership perform multiple roles, which may be outside their area of expertise. • Student Information System: The school districts use a variety of tools for enrollment counts including Infinite Campus and Power School, but there is no statewide Student Information System (SIS) to enter and calculate Average Daily Membership (ADM) across all school districts. The lack of a statewide system prevents “real time” access to data to ensure that student counts are up to date throughout the year, that funding is properly allocated, and that key demographic data (FRL, SPED, etc.) are accurately tracked. The State is working through the procurement for a statewide SIS contract. • Special Education: SPED Advantage, a special education tracking tool, is used by most schools in conjunction with Infinite Campus to manage special education services. WDE is in the process of purchasing a statewide system. • Enterprise Resource Planning (ERP): The school districts use several different ERP tools for Finance and Human Resources such as Software Unlimited for finance or Business Plus, but there is no statewide procurement vehicle for schools to purchase and ERP system. • Grants Management: The State has an existing grants management system for the schools where districts can upload required data and draw down Federal funds. 	<ul style="list-style-type: none"> • The greatest saving potential can be realized through rollout of low cost/high quality technology options that are standardized across a geographic region or the State as a whole. WDE should work to standardize recommended technology options across nearby districts in order to leverage benefits of coordinated purchasing and volume discounts. • The State should move to a cost reimbursement basis for technology spend and invest in a statewide ERP implementation to accelerate the process and to help enhance and automate recruiting, on-boarding, substitute teacher management and time tracking processes that are currently manual.

Department of Education

Summary of Observations and Recommendations

	Observations	Recommendations
Technology (continued)	<ul style="list-style-type: none"> • Learning Management: The State is working on a procurement for learning management systems for the school districts. 	
School District Procurement Practices	<ul style="list-style-type: none"> • Collaboration: School districts establish roles to conduct limited purchasing coordination, but do not have a statewide purchasing cooperative established to purchase food, insurance, or other sourcing categories. There are BOCES that were established to coordinate food service purchasing, but there is no statewide effort. • Categorization of Savings: The level of non-facilities purchased services is much lower to Wyoming than peer states due to the lack of food service outsourcing in the State. • Insurance: School districts do not procure insurance in a collaborative manner through the State Board of Education or other cooperative programs. • Bus Purchases: The State leads centralized purchasing of buses through a state run multi-award contract with selection by the school district. • Insurance: The Wyoming School Boards Association (WSBA), a professional organization, offers Property and Casualty insurance to member districts. • Facilities Spend: Wyoming spends significantly more in facilities and acquisition costs than other states, leading to opportunities to drive procurement savings in this area. 	<ul style="list-style-type: none"> • The State should work with the school districts to create a statewide cooperative purchasing organization and advisory board that facilitates school district purchasing within the State with representation from the State, districts, and potentially higher education institutions to identify and pursue specific sourcing categories. The cooperative purchasing organization and advisory board would identify categories to pursue collectively, name specific districts as lead on a particular sourcing effort, and consolidate the spend across districts. The procurements would be made available to all districts, but advisory board members would be rotated on a periodic basis with some regular sitting advisory board members from the State, regional cooperatives, and largest districts. • For the statewide and/or regional cooperative procurements, WDE should include Most Favored Nation (MFN) clauses in contracts that require the vendor to provide the District pricing that is no higher than the price it provides to any other buyer, now or during the term of the agreement.

Summary of Observations and Recommendations

	Observations	Recommendations
School Facilities Commission	<ul style="list-style-type: none"> • Organizational Structure: The School Facilities department was commissioned over 10 years ago to oversee school construction requirements. In the past year, the organization has been integrated with the Construction Management Division to form the State Construction Department (SCD). • Funding Model: The school districts are responsible for routine maintenance on the school facilities, while the State is responsible for major maintenance and renovation. • Technology: SCD is moving the State to an asset management database to manage work orders and maintenance. Currently, eighteen of the school districts use SchoolDude for maintenance and forecasting planning. • Policies for Spending: State statute allows school districts to expend up to 10% on enhancements or surplus buildings (10% major maintenance). Districts are allowed to save and accumulate 10% of major maintenance for future expenditures. • Surplus Properties: School districts have 84 properties totaling 880,590 SF, that are either closed, surplus, mothballed or will be closed within the next school year. Facilities include school buildings, aquatic centers, modulars and other ancillary structures. School districts must seek approval before mothballing a property. 	<ul style="list-style-type: none"> • The State should periodically work with the school districts to identify and value the surplus assets that could be sold, and to assist with the disposal of those assets in a timely manner to provide funding, reduce ongoing maintenance costs, and return the properties to the tax rolls. • The State should evaluate the potential impact of changing the statute to reduce the amount of funding that may go to enhancements rather than building maintenance to ensure that the State is employing the optimal mix of ongoing maintenance to extend the life of the existing facilities. • The State should use information from maintenance and facilities planning systems to develop an integrated long-term capital forecast to better plan for and prioritize major maintenance and renovation projects.

Department of Education

Summary of Observations and Recommendations

	Observations	Recommendations
School Facilities Commission (continued from previous page)	<ul style="list-style-type: none"> • Contracts: The State Construction Department leads a workgroup that includes the Wyoming Contractors Association (WCA) and WCCA (Wyoming Contract Coalition Association), as well as architects and engineers to determine the major issues in the contracting process and how they can be resolved. They are collaborating with the AG's Office, the Department of Workforce Services, and others to work through contract changes. • Bonding: Facility enhancements, like pools and ground improvement, are funded through local bonding capabilities. 	<ul style="list-style-type: none"> • The school districts should coordinate procurement activities with regard to school facilities maintenance that leverage contracts and capabilities that have been put in place by the State for new construction and state run maintenance.
Condition of School Facilities	<ul style="list-style-type: none"> • Condition: On average, the school facilities have a rating of 0.16 on the Facilities Condition Index (FCI) scale, indicating that the overall condition of the school buildings in Wyoming is good (i.e., an FCI rating of 0=new and 1-needs replacement) • Benchmark Comparisons: The State does not maintain a record of comparable school district facility benchmarks. • Incentives: The school districts are responsible for routine maintenance through block grant funding, while the State is responsible for major maintenance through the school. This distinction creates a disincentive to properly fund routine maintenance. • Energy Efficiency: The State has engaged in preliminary discussions on ways to increase energy efficiency, including motion detectors for lighting and HVAC and the use of energy efficient lightbulbs. 	<ul style="list-style-type: none"> • The school foundation / construction function should conduct a study looking at comparable school district benchmarks to determine the optimal balance of routine maintenance versus major maintenance. The study should result in a revision to the state policies for facilities maintenance and adjustments to school reimbursement program to realign school district incentives. • Given the very high level of facility conditions scores across the school district buildings, the State should explore the optimal FCI score that would trigger a major school renovation. The optimal score should consider average FCI scores of comparable states and best practices associated with the balance between new construction and ongoing maintenance in the effort to maximize useful life of school facilities. • The State should explore best practices for energy efficient buildings and schools and implement strategies to reduce energy costs.

Summary of Observations and Recommendations

	Observations	Recommendations
Transportation	<ul style="list-style-type: none"> • Reimbursement: The school districts used to follow an incremental budgeting approach for transportation in which prior year spend became current year budget. In the latest biennium, the State transitioned to a fixed budget based on the prior three year budgets (FY15, FY16, and FY17). This budget will be capped in statute at that level. • Bus Replacement: The State instituted a bus moratorium in 2017, halting the purchase of new buses unless an emergency replacement is necessary. Previously, state policy was to replace buses every 12 years or 200,000 miles, with an average age of the fleet between 8 and 11 years. • Fleet Surplus: Fleet size was frozen in 1999 with exceptions approved by WDE. The buses are the property of the school districts and disposal or sale of those buses will revert funds to the State. • Route Management: Many school districts use routing software, which was previously reimbursed by the State in full. The buses are outfitted with Zonar Fleet Management Systems allowing school districts access to bus tracking, maintenance information, and route information if the modules were purchased. • Two school districts have purchased alternative fuel buses (propane and compressed natural gas). 	<ul style="list-style-type: none"> • The State should implement policies to extend the life of the bus fleet, drive efficiencies into the transportation operations, and restructure the incentives available to the districts through a cost reimbursement program. The policies should define the appropriate level of bus utilization, define route reimbursement parameters, incentivize more efficient use of technology, and promote the use of staggered bell times. • The State should conduct a study of the fleet operation and maintenance costs in the districts to determine the optimal bus replacement lifecycle. • The State should conduct a sourcing exercise to establish a contract vehicle to enable purchasing of alternative fuel buses as new vehicles are added to the fleet.

Department of Education

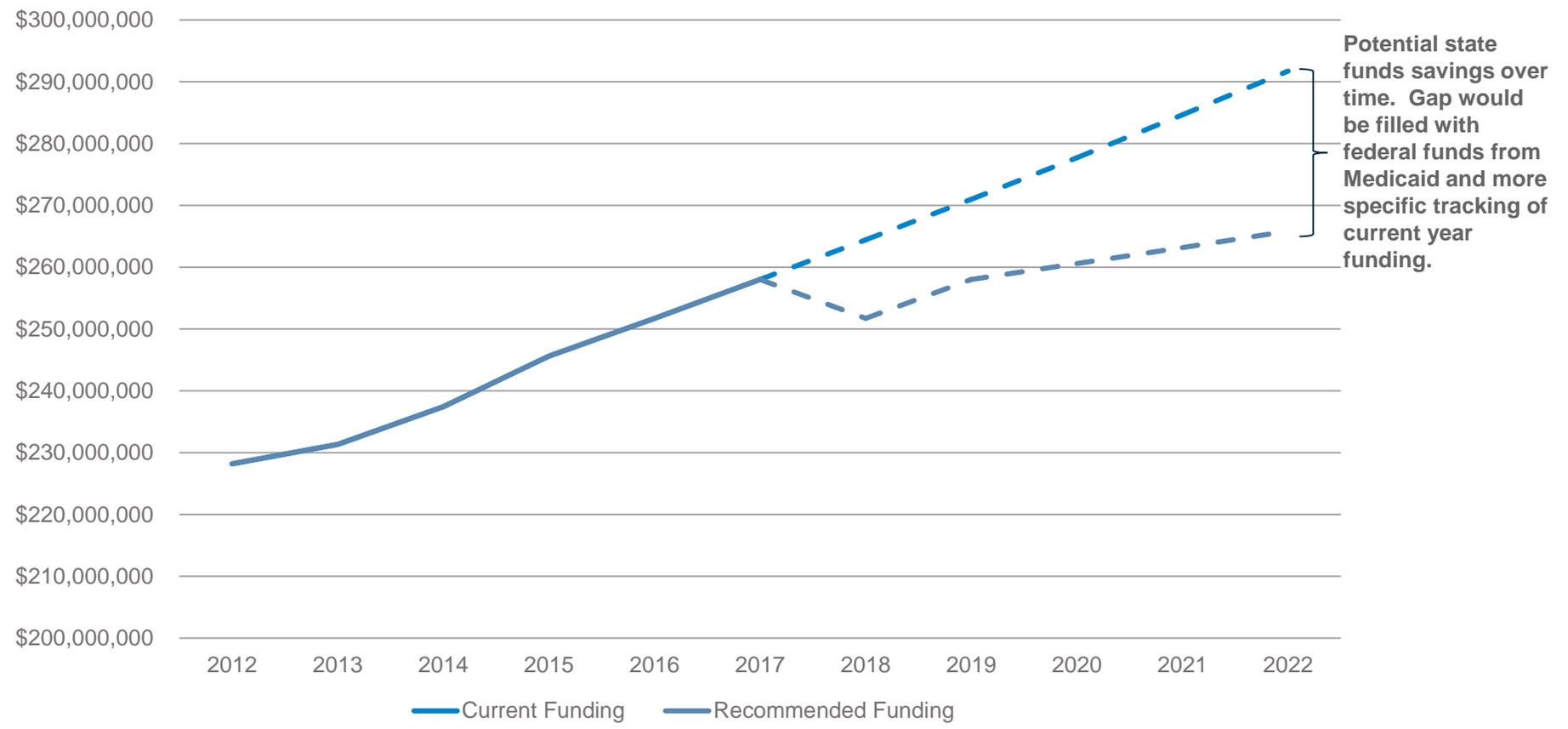
Summary of Observations and Recommendations

	Observations	Recommendations
Regional Collaboration	<ul style="list-style-type: none"> • BOCES Functions: Currently, there are 16 overall Boards of Cooperative Education Services (BOCES) formed throughout the State with responsibilities ranging from collaboration with community colleges, providing medical services, or coordinating delivery of programs and services. • BOCES Creation: Local boards of trustees may enter into agreements to form a board of cooperative educational services among districts under statute W.S. 21-20-104. • BOCHES: There are four Boards of Cooperative Higher Education Services (BOCHES) in the State that provide Adult Education, Career and Technical Education, and Professional Development for teachers. • Cooperative Purchasing: Some BOCES also provide support cooperative purchasing across districts for Food and Nutrition, Technology, and Vehicles. • Medical Services: There are 3 BOCES that provide special education services where WDE pays for court ordered placement of students. When placed through the court system, additional Federal funding is available when the BOCES choose to apply, however, the additional funding options are not always known by the school district or the Multi-Disciplinary Team (MDT) supporting these youth. As a result, the education reimbursement is covering a larger share of these costs than is otherwise warranted. 	<ul style="list-style-type: none"> • The State should work with the districts to establish a series of regional shared services models providing finance, human resources, information technology, and other general services to the school districts. • The State should establish a collaborative purchasing BOCES that includes the State and all school districts to conduct statewide procurement activities to maximize the potential for volume discounts for the benefit of the school districts. • In consultation with the school districts, the parents should be made aware of the opportunity to invite WDE to participate in the Multi-Disciplinary Team (MDT) to help with awareness of Federal funding alternatives and coordination across parties and with the BOCES.

Impact of Reduction in Growth of MFS

WDE should apply for an exception and evaluate opportunities to reduced the average annual MFS growth from 2.5% to 1% going forward.

MFS Growth Reduction Projected Savings^[20]



Additional Opportunities for Federal Funds

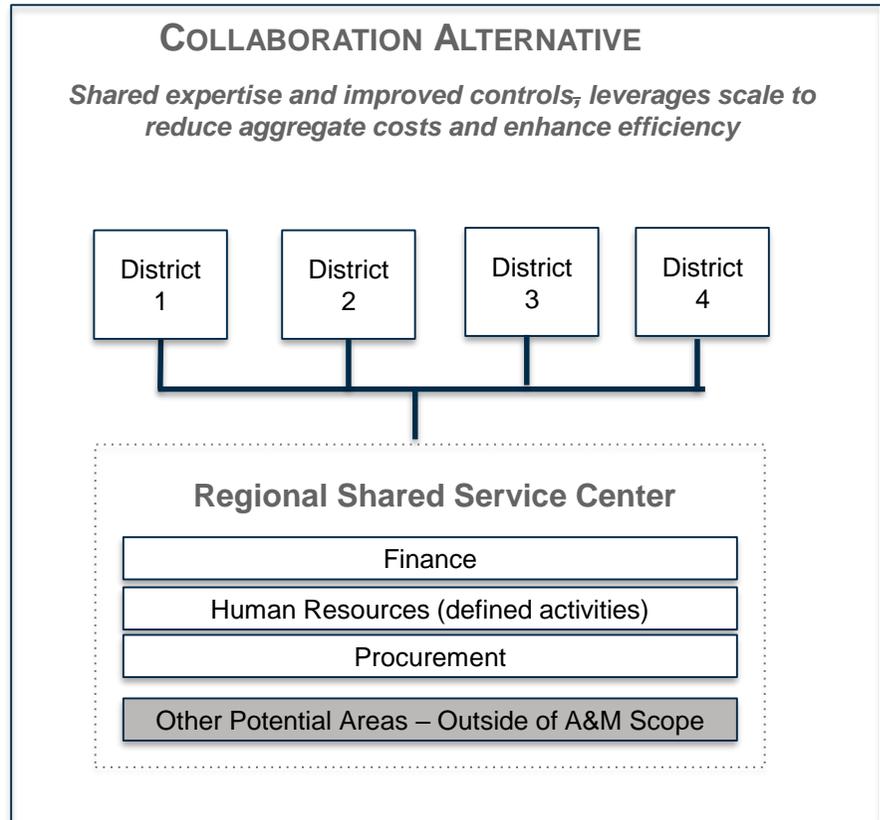
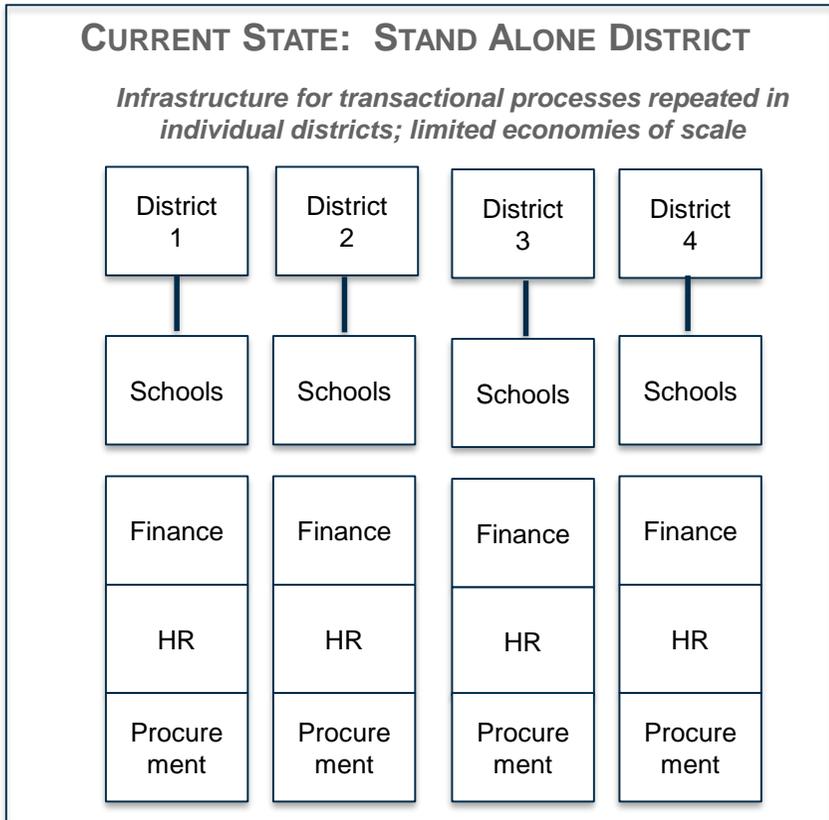
WDE should ensure that districts fully participate in school-based Medicaid services and Federal school nutrition programs to maximize opportunities for additional Federal funds.

School-Based Medicaid Services	Federal School Nutrition Program ^[21]																																																				
<p>Wyoming must add school-based Medicaid-eligible services to their Medicaid State Plan in order to be reimbursed. School-based services must be included in the Medicaid statute or the Early and Periodic Screening, Diagnostic, and Treatment (EPSDT) screening services. In FY2016, Wyoming schools spent \$28 million providing SPED services, some of which could qualify for Medicaid reimbursement.</p>	<table border="1"> <thead> <tr> <th>State</th> <th>Participation</th> <th>FY2016 Enrollment</th> <th>Participation Rate</th> </tr> </thead> <tbody> <tr> <td>Wyoming</td> <td>51,854</td> <td>94,067</td> <td>55.1%</td> </tr> <tr> <td>Montana</td> <td>81,872</td> <td>144,532</td> <td>56.6%</td> </tr> <tr> <td>South Dakota</td> <td>107,332</td> <td>133,040</td> <td>80.7%</td> </tr> <tr> <td>North Dakota</td> <td>90,355</td> <td>106,586</td> <td>84.8%</td> </tr> <tr> <td>Idaho</td> <td>156,992</td> <td>290,885</td> <td>54.0%</td> </tr> <tr> <td>Nebraska</td> <td>241,037</td> <td>312,635</td> <td>77.1%</td> </tr> <tr> <td>Alaska</td> <td>53,617</td> <td>131,176</td> <td>40.9%</td> </tr> <tr> <td>New Mexico</td> <td>216,778</td> <td>340,365</td> <td>63.7%</td> </tr> <tr> <td>West Virginia</td> <td>194,289</td> <td>280,310</td> <td>69.3%</td> </tr> <tr> <td>Maine</td> <td>100,272</td> <td>182,470</td> <td>55.0%</td> </tr> <tr> <td>Vermont</td> <td>49,159</td> <td>87,311</td> <td>56.3%</td> </tr> <tr> <td></td> <td>Average</td> <td></td> <td>63.8%</td> </tr> </tbody> </table>	State	Participation	FY2016 Enrollment	Participation Rate	Wyoming	51,854	94,067	55.1%	Montana	81,872	144,532	56.6%	South Dakota	107,332	133,040	80.7%	North Dakota	90,355	106,586	84.8%	Idaho	156,992	290,885	54.0%	Nebraska	241,037	312,635	77.1%	Alaska	53,617	131,176	40.9%	New Mexico	216,778	340,365	63.7%	West Virginia	194,289	280,310	69.3%	Maine	100,272	182,470	55.0%	Vermont	49,159	87,311	56.3%		Average		63.8%
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<p>School-based services eligible for Medicaid</p> <p>EPSDT screening services IDEA-related health services including:</p> <ul style="list-style-type: none"> • Health/mental health services outlined in an IEP • Speech, occupation, physical, and other therapies • Developmental assessments • Direct clinical/treatment services • Routine or mandated health screens 	<p>Wyoming's School Nutrition Participation is below average when compared to peer states. Developing strategies to increase the participation funding to the average of its peer states would provide significant additional revenue to the State, especially in areas where districts have elected not to participate in the Federal school lunch program.</p>																																																				

Shared Service Models

COLLABORATION: SHARED SERVICE MODELS

Given the limited spending across districts, especially those that are smaller in size, and the fixed cost requirements of these functions WDE should consider collaboration alternatives when looking for ways to optimize efficiency.



Collaboration provides a pathway to optimizing effectiveness and efficiencies across processes, capturing economies of scale, increasing standardization and addressing common challenges faced by all districts.

Purchasing Savings Estimates

PURCHASING COORDINATION AND AGGREGATION: SAVINGS APPROACH

In order to develop a range of savings that a purchasing consortium would yield, A&M estimated savings based on current district spend and applied savings ranges based on the experience that our clients have achieved by partnering with A&M on strategic sourcing.

To determine actual savings amounts by district, A&M applied the savings ranges to FY16 expenditure data, approximating the state share at 51%. The expenditure data from the State is summarized by function and major object codes.

The scope of the total procurement spend was reduced by 25% of procurement spend based on experience with prior statewide school district efficiency procurement reviews and to ensure conservative savings estimates.

Given the approach to estimate savings was a top-down approach rather than a bottom-up approach of savings by vendor, the estimates of savings achieved through purchasing coordination are high-level estimates.

	Range of Savings Based on A&M Strategic Sourcing Experience	
	Low	High
Benefits	1.5%	4.5%
Equipment	5.0%	10.0%
Facilities	4.0%	6.0%
Food	2.5%	5.0%
Fuel	1.0%	2.0%
Hardware	2.0%	7.0%
Health Care	1.5%	4.5%
Insurance	5.0%	7.5%
Professional Services	4.0%	6.0%
Software	3.0%	9.0%
Supplies	2.5%	7.5%
Telecom	2.0%	7.0%
Temporary Services	6.0%	10.0%
Transportation	5.0%	7.5%
Travel	5.0%	7.5%
Utilities	3.0%	5.0%
Vehicle Fleet	2.0%	5.0%

WDE Savings Estimates

ESTIMATED ONE-TIME INVESTMENT AND BIENNIAL SAVINGS

Investment and savings ranges shown below reflect estimates of the impacts of A&M recommendations for federal funds, process, technology and shared services changes. These amounts are subject to change based upon the implementation strategies selected. In addition, potential costs associated with additional planning activities are not reflected in these estimates.

	Est. One-Time Investment (State Funds)		Est. Net Biennium Savings (State Funds)	
	Low	High	Low	High
Special Education	\$0	\$0	\$0	\$0
School Nutrition	500,000	750,000	9,147,406	18,690,669
School Based Medicaid Services	350,000	500,000	6,000,000	12,000,000
Consolidated Benefit Plan	300,000	500,000	11,296,981	22,593,963
Cooperative Purchasing Plans	250,000	500,000	11,881,999	21,808,279
Regional Shared Services Model	1,000,000	1,500,000	4,267,025	8,534,050
State Total	\$2,400,000	\$3,750,000	\$42,593,411	\$83,626,961



Outline

- I. Executive Summary
- II. Background and Purpose
- III. Cross Agency Benchmarking and Analysis
- IV. Department of Administration & Information
- V. Department of Education
- VI. Department of Health
- VII. Department of Revenue / Department of Audit
- VIII. Other \$20M Agency SAGE Reports

Overview

- The Wyoming Department of Health (WDH) promotes, protects and enhances the health of the State's citizens.
- WDH manages the State's Medicaid programs and recently assumed responsibility for the Department of Family Services (DFS).
- There is significant interaction with Indian Health Services (IHS) to provide healthcare to the Native American population.
- The State faces relatively high costs to provide healthcare to a geographically disperse population.
- The State participated in Cycle 1 of the CMS Payment Error Rate Measurement (PERM) review in 2015. WDH has been working through pilot PERM reviews to make necessary enhancements in advance of the 2018 PERM review.
- The A&M team analyzed WDH data associated with nursing facilities and home and community based services (HCBS) to understand Wyoming's long-term care programs.

Observations

- WDH maintains best-in-class reporting and dashboard capabilities for data analytics.
- The State has made considerable headway in maximizing IHS funding for physical health services and has developed an innovative shared savings model to share the enhanced match with the tribe.
- While the State has made efforts to enroll new participants in HCBS, there have been limited efforts to shift current participants from nursing facilities to community based care.
- The State does not employ electronic visit verification (EVV) to monitor home based services. WDH is in the process of procuring EVV functionality as a part of their Medicaid Management Information System (MMIS) procurement.

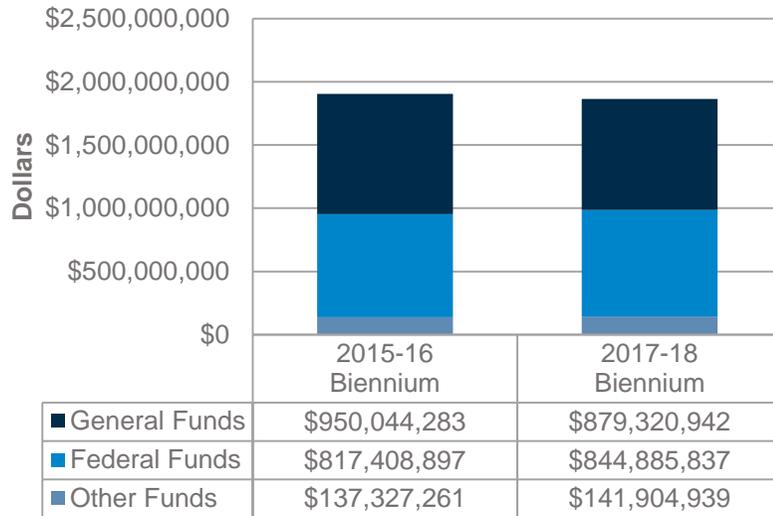
Recommendations

- Establish processes to expand the amount of services that are provided via telehealth.
- Continue to explore opportunities to secure enhanced Federal match for IHS-related services.
- Expand home and community based services (HCBS) and develop processes to safely transition participants from institutional settings to community based care.
- Expedite procurement and implementation of electronic visit verification (EVV).

AGENCY PROFILE

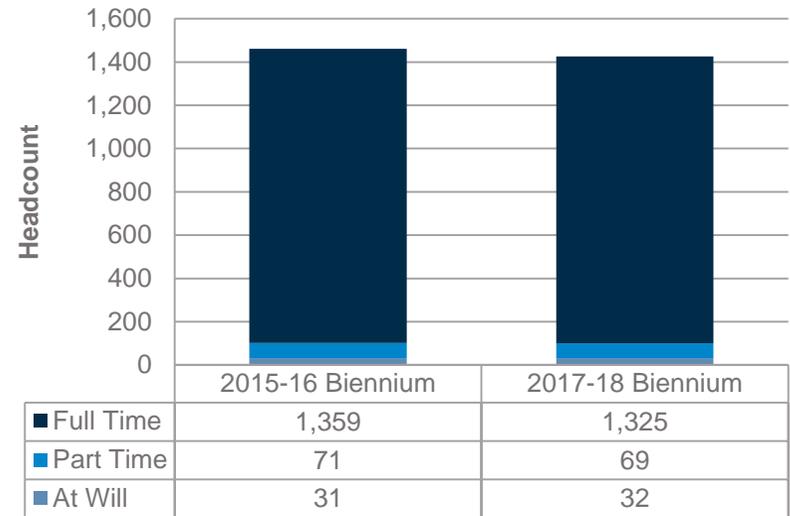
Budget Trend^[22]

Biennium Budget



Headcount Trend^[22]

Biennium Budget Headcount



Key Performance Indicators^[23]

% of State population enrolled in Medicaid (SFY2015)	15.5%
Average Monthly Enrollment (SFY2016)	66,696
Medicaid Overall Cost per Member per Month (SFY2016)	\$669
Average Cost of Senior participants	\$29,268
Average Cost of Individuals with Disabilities	\$25,242

Administrative Costs

Departmental FTE ^[22]	1,460
FTE Per Million Residents ^{[22],[24]}	2,439.6
Department Budget ^[22]	\$ 1,866,111
Budget Per Capita ^{[22],[24]}	\$3,187.21

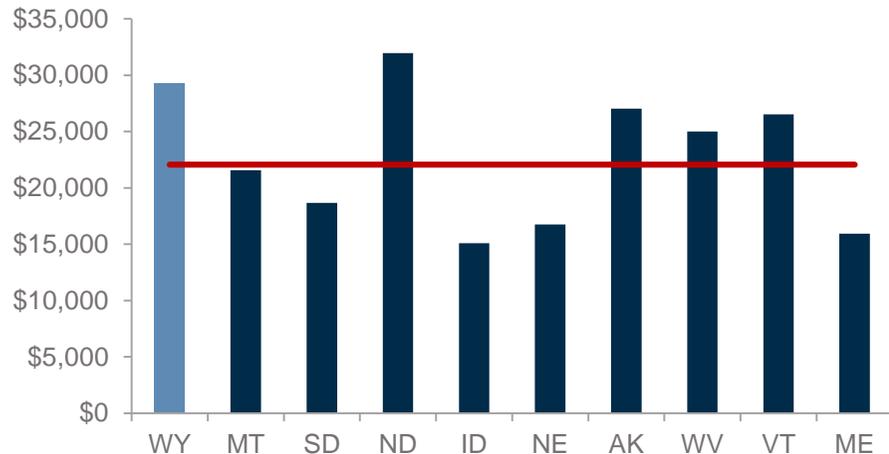
Overall State Medicaid Spending per Enrollee

Wyoming is ranked in the top five states in spending for Seniors and the top ten states in spending for Individuals with Disabilities^[25]

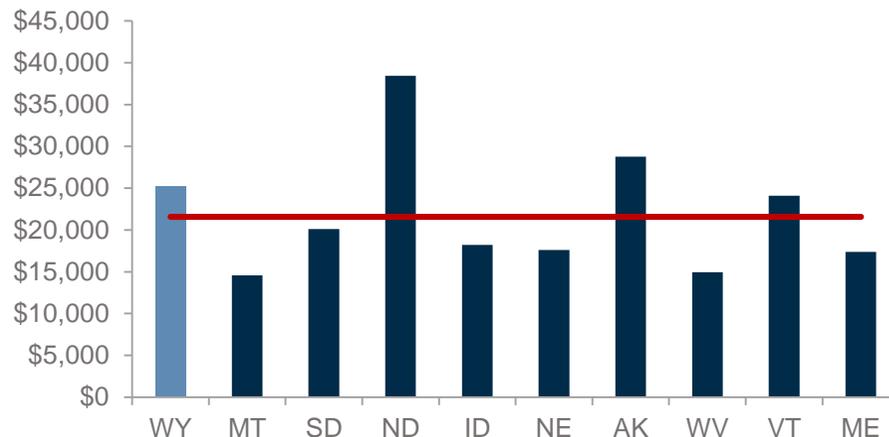
	Total	Seniors	Individuals w/Disabilities	Adults	Children
North Dakota	1	3	1	4	5
Alaska	2	7	6	2	2
Vermont	7	10	12	13	3
Maine	16	36	29	37	13
Montana	20	21	47	1	15
Wyoming	24	5	10	27	38
Nebraska	27	33	28	17	41
New Mexico	32	N/A	23	42	1
South Dakota	33	28	22	32	37
West Virginia	34	15	45	44	31
Idaho	41	39	27	35	40

Preliminary Medicaid Spending benchmarking^[25]

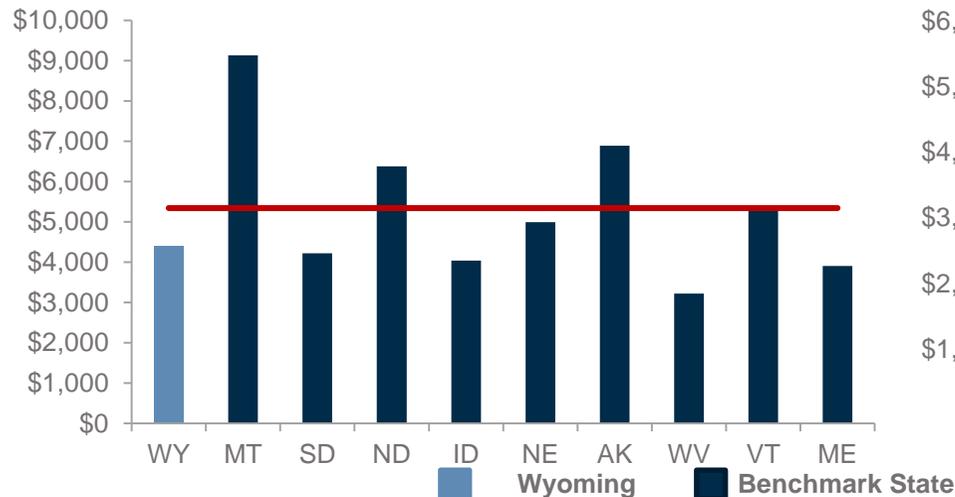
Medicaid Spending per Enrollee - Seniors



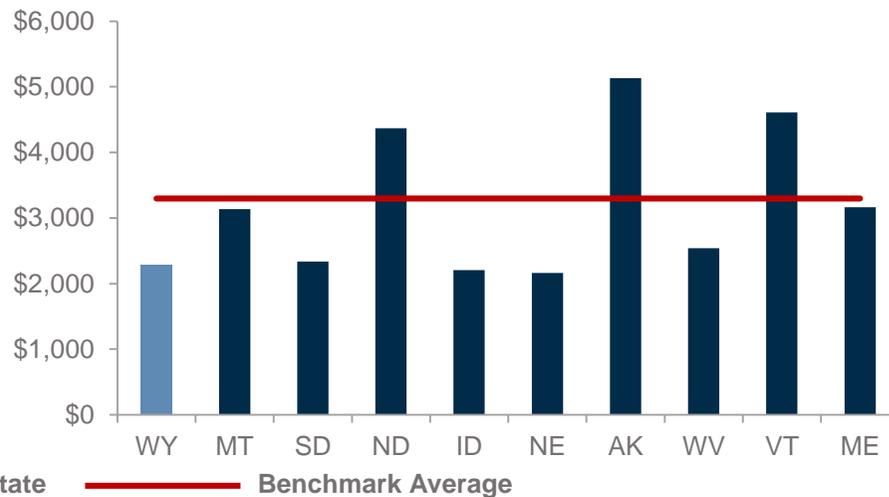
Medicaid Spending per Enrollee - Disabilities



Medicaid Spending per Enrollee - Adults



Medicaid Spending per Enrollee - Children

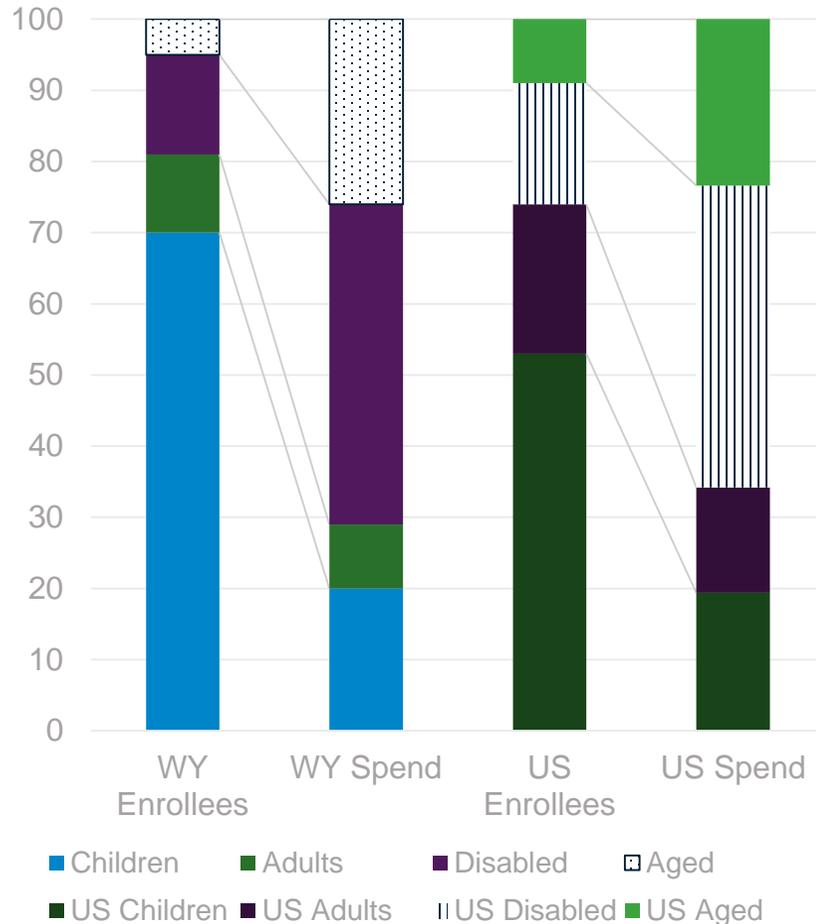


■ Wyoming
 ■ Benchmark State
 — Benchmark Average

Costs by Member Type

When compared to national averages, Wyoming's high costs for Aged and Disabled are offset by the low levels of spending for Children and Adult populations^[26].

Costs by Member Type in Wyoming and US Averages



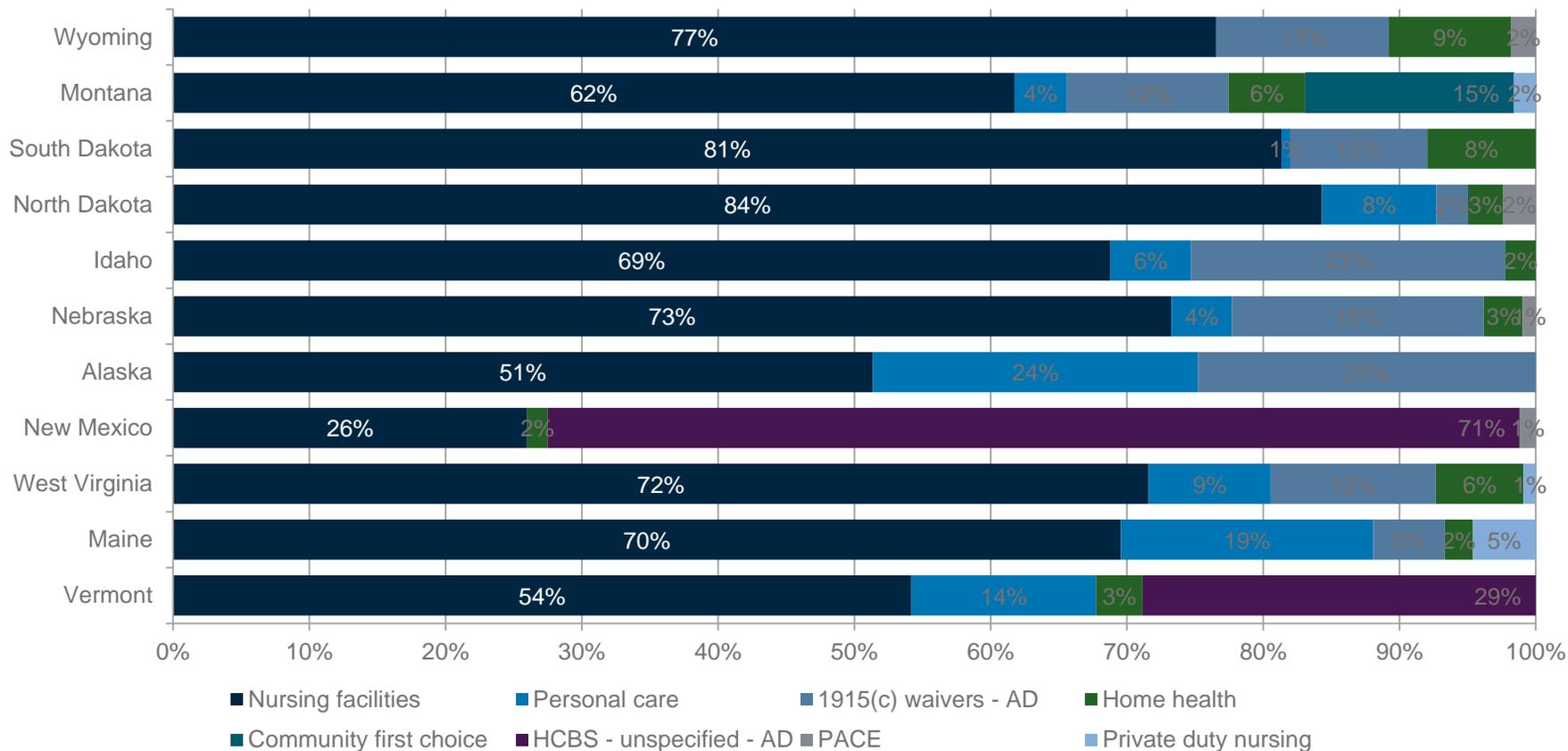
Key Findings

- **The State's Aged and Disabled Populations contribute a disproportionate share of the costs.**
 - WY A&D are 19% of Pop with 71% of spend
 - US A&D are 26% of Pop with 65% of spend
- **Wyoming's low adult population in Medicaid offsets the high spend in other areas.**
- **Wyoming's high number of low cost children in Medicaid offsets the spend in other areas:**
 - WY Children are 70% of Pop with 20% of spend
 - US Children are 53% of Pop with 19% of spend

Wyoming Medicaid Spend

Wyoming's percentage spend on Skilled Nursing Facilities ranks third behind North and South Dakota in comparison to peer state benchmarks. There are efficiencies that can be derived by moving more aggressively to community based settings.

Senior & Disabilities Medicaid Spending by Service Type^[27]

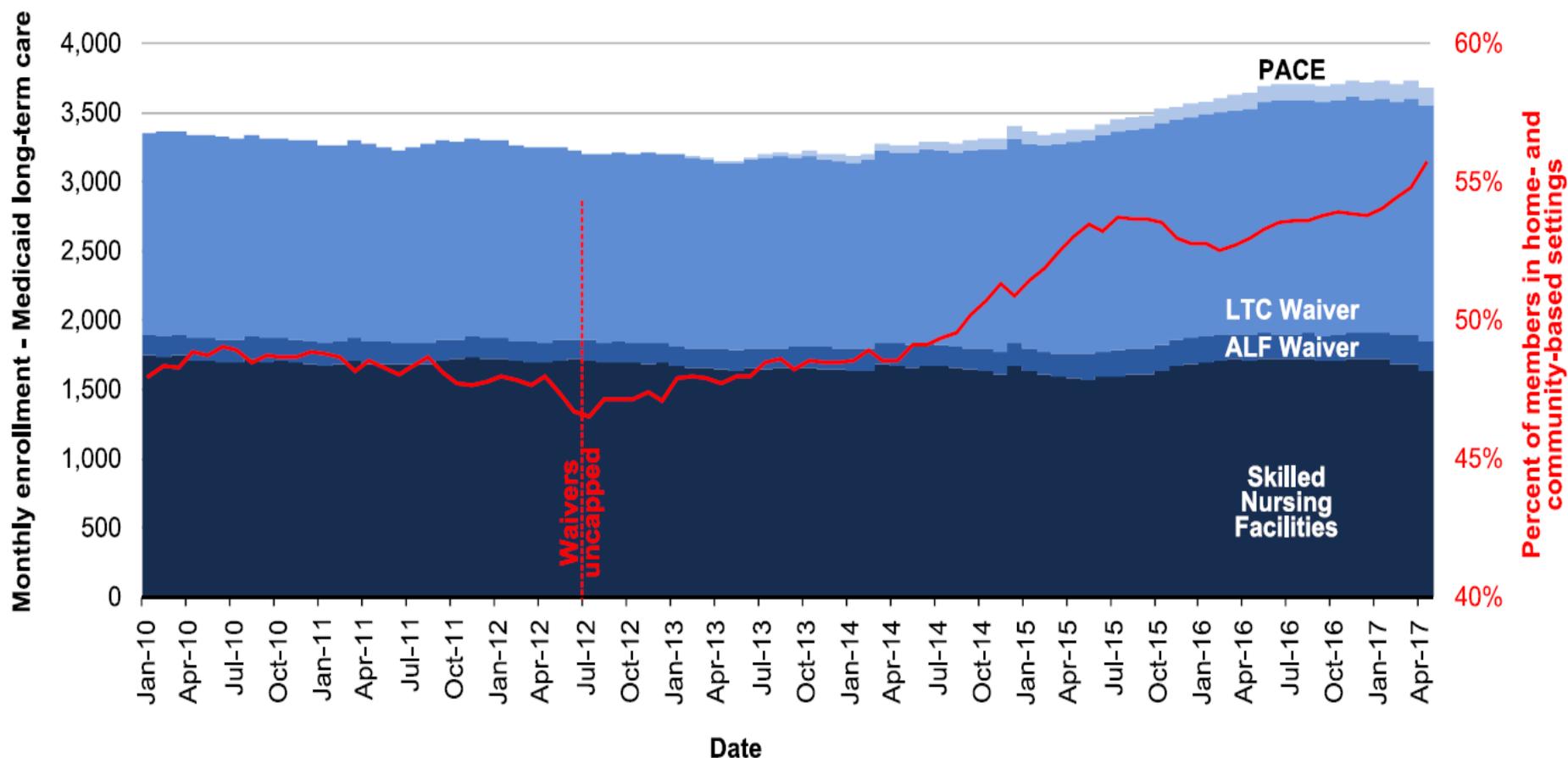


NOTE: 1915(c) waivers are Medicaid waivers authorized by Section 1915 of the Social Security Act that allow states to provide certain services to specific populations. PACE is the Program for All-Inclusive Care for the Elderly.

Growth in Long-Term Care

Given the growth trends in the senior population, WDH has made efforts to enroll new participants in community based services instead of nursing homes. However, more could be done to transition participants from nursing facilities to community-based care.

Long-Term Care Settings of Medicaid Members^[28]

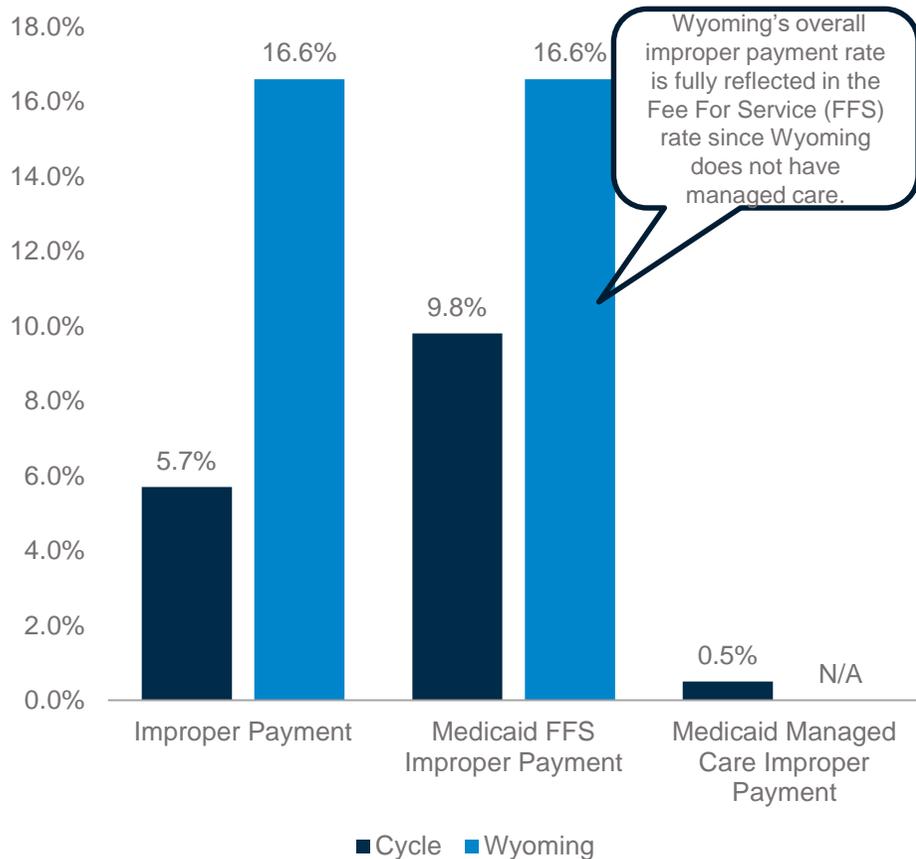


NOTE: The LTC and ALF Waivers refer to Wyoming's Long-Term Care and Assisted Living Facility Waivers, respectively.

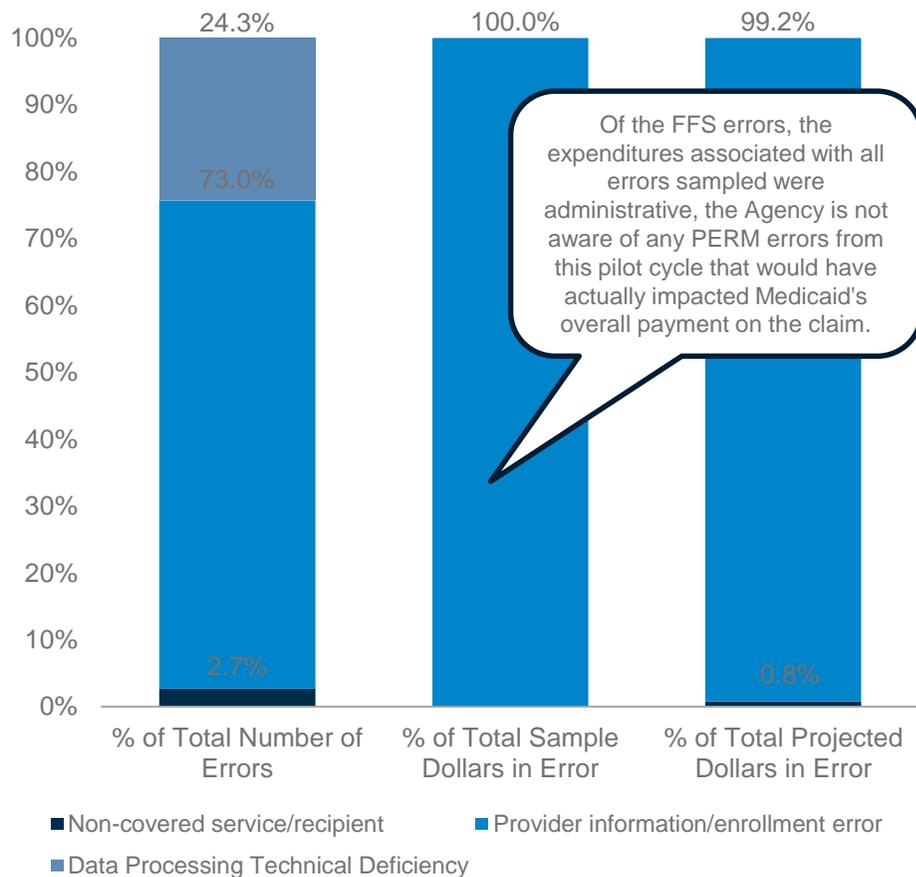
2015 PERM Rates Comparison^[29]

PERM* “Pilot” Cycles were conducted for Medical Review and Data processing errors only, and did not include a review of Medicaid eligibility decisions. Wyoming’s error rate was significantly above the Cycle average, primarily due to administrative errors.

Cycle & State Combined and Component Improper Payment Rates^[8]



Medicaid FFS Data Processing Review Error Types^[8]



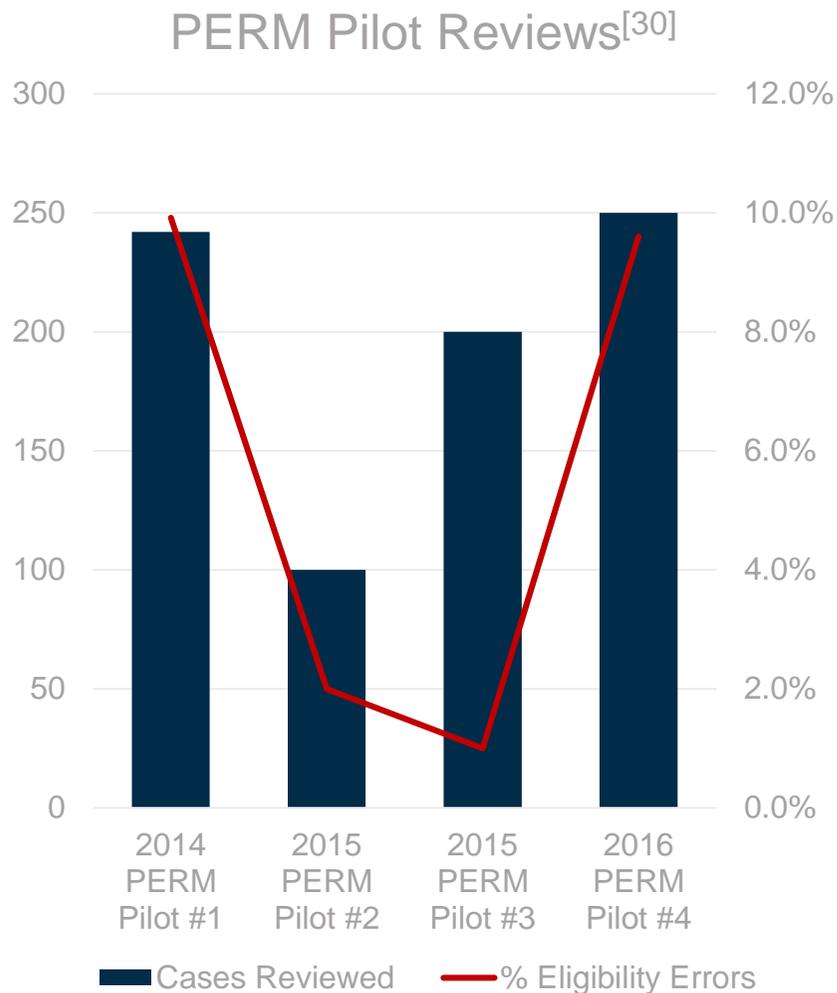
NOTE: PERM stands for Payment Error Rate Measurement and is used by CMS to measure improper payments in Medicaid.

PERM Pilot Eligibility Review

WDH conducted 4 PERM pilot eligibility reviews ahead of the 2018 CMS review cycle, which revealed issues that could impact payment accuracy. Corrective actions have been taken to mitigate potential error in the future.

Key Findings

- **PERM Pilot States were required to conduct Eligibility reviews using draft PERM protocols that will be implemented in the 2018 PERM Cycle.**
- Other Cycle 1 states include Arkansas, Connecticut, Delaware, Idaho, Illinois, Kansas, Michigan, Minnesota, Missouri, New Mexico, North Dakota, Ohio, Oklahoma, Pennsylvania, Virginia, Wisconsin
- **Internal reviews focused on testing review protocols; findings should be considered anecdotal – not based on statistically valid sample; No national comparisons or benchmarking.**
- **The findings from these reviews indicated recurring issues:**
 - Missing / inadequate income verification
 - Late re-determinations / delayed case closures
 - Missing / incorrect notice to beneficiary
 - Inadequate IT and Customer Service Center Vendor response to recurring issues
 - Note: the data reviewed for the PERM pilots was reflective of particular groups of the population and was not a statistically significant data set.



Department of Health

Summary of Observations and Recommendations

	Observations	Recommendations
Agency Overview	<ul style="list-style-type: none"> • Operational Divisions: WDH has four operation divisions – public health, mental health & substance abuse (behavioral health), health care financing (Medicaid), and aging. • Department Budget: The Department's budget was reduced by \$93 million in General Funds ahead of the current biennium resulting in a budget of \$1.87 billion for the FY2017-2018 biennium. The Department's expenditures per capita are budgeted at \$3,187 for the FY2017-2018 biennium, split \$1,502 in GF, \$1,443 FF, and \$242 in OF. • State Facilities: There are three Aging Division Community Facilities run by the State for the senior population. The WDH Behavioral Health Division operates the Wyoming State Hospital (WSH) and Wyoming Life Resource Center (WLRC). The State Hospital provides psychiatric and criminal justice-related treatment, and houses the State's Intermediate Care Facility (ICF). The WLRC operates three programs for the Intellectual and Developmentally Disabled (I/DD), Acquired Brain Injury (ABI), and the Horizons Health Care Center. The WDH Aging Division operates Wyoming Retirement Center, Veterans Home, and Pioneer Home. • Department of Family Services: Between 2013 and 2015, operational control for eligibility determinations was transferred from DFS to WDH. The process underwent significant changes from a distributed manual process to a centralized, automated, and rules driven process. This resulted in the ability to meet the increased demand from mandatory ACA expansion. In 2017, Director of the Department of Health was placed as the interim head of the Department of Family Services. 	<ul style="list-style-type: none"> • The State should examine the existing organizational structure to determine if a merger of the WDH and DFS agencies is warranted, particularly in light of the significant overlap in responsibilities including eligibility determinations, fraud detection, and the type of citizens served. The study should assess whether there are opportunities for shared services, to better utilize technology, or for skill building across agencies.

Summary of Observations and Recommendations

	Observations	Recommendations
Medicaid Enrollment Trends	<ul style="list-style-type: none"> • 5-year Medicaid Enrollment Trend: The enrollment increased by 2.7% during meet minimum income levels (between SFY 2014 and 2015), and has since decreased by 2,287 or 2.5% (between SFY 2015 and 2016) as the state automated the enrollment process and conducted eligibility cleanup^[23]. • Other Demographic: Wyoming's population is characterized by a high number of children in the system with a low overall per member cost. • Long-term Planning: The State prepares long term enrollment projections to help inform long-term planning. 	
Federal Funds	<ul style="list-style-type: none"> • Federal Funds: There are a number of federal funding programs where Wyoming is below comparable state benchmarks including: Children's Health Insurance Program (CHIP), Foster Care Title IV-E, Child Care and Development Block Grant, Adoption Assistance, and Head Start. • School Based Medicaid Funding: Currently, the State of Wyoming is the only state in the country that does not make requests for School Based Services (SBS) or the associated Medicaid Administrative Claiming (MAC) funding resulting in the loss of between \$3 – 6 million in funding annually^[31]. SBS have been discussed in recent legislative sessions and legislation was drafted, but implementation was not authorized, nor were funds appropriated for the change. 	<ul style="list-style-type: none"> • WDH should establish procedures to strategically pursue federal funds that align with the goals and objectives of the agency and state. The agency should work with the legislature to create a reserve fund that can be accessed to offset maintenance of effort requirements should the federal funding be reduced in the future. The reserve fund would provide necessary buffer to adverse future federal funding environments. • WDH should work with the WDE to adjust the Medicaid State Plan to incorporate SBS and MAC funding requests for the schools. Additionally, both agencies should partner with the legislature as needed to get the authorization and funding required for implementation.

Summary of Observations and Recommendations

	Observations	Recommendations
Medicaid: State Plan Services	<ul style="list-style-type: none"> • Medicaid Expansion: Wyoming did not participate in Medicaid expansion, however, income eligibility levels were adjusted as required by the ACA. • Telehealth: The State is currently managing telemedicine through WDH's Public Health Division and has supported initial efforts with funding and resources. Zoom licenses to conduct virtual sessions will be provided to every provider. The Department has identified rural and frontier areas as main areas for potential telehealth growth. A new, expanded telehealth policy went into effect October 1, 2017, however, funding for telehealth was coming from tobacco settlement monies, which were cut in the latest budget. • Managed Care: The Department engaged Health Management Associates to study options for better Medicaid care coordination. The study concluded that WDH should pursue for its Medicaid enrollees: <ol style="list-style-type: none"> 1. A targeted enhanced care program built on the Patient Centered Medical Home (PCMH) infrastructure that is being developed in Wyoming 2. A "Super-utilizer" Program (SUP) that provides intensive care management (e.g. face-to-face visits to ensure medications are taken, etc.) to a small subset of the targeted PCMH clients. • Super-utilizer Program: WDH established a multi-year program to evaluate the ability of an external managed care company to better manage this high intensity population. The program is in its second year the State has taken corrective actions to improve performance by the vendor. 	<ul style="list-style-type: none"> • Given the low population density of the state, Wyoming needs to become the practice leader in telehealth for evaluation and management services, psychiatric visits, and remote patient monitoring. The state should follow the lead of the Veterans Administration (VA) in expanding use of telehealth as a low-cost, easy-to-access means of providing high quality care. Examples of areas for exploration include: mental health services, primary care, rehabilitation, speech and audio services, eye care, dermatology services, specialty care, and care for chronic conditions such as diabetes, hypertension, and depression. • WDH should continue to explore care coordination for super-utilizer population and refine the program structure based on findings of the current study after evaluating the key successes and challenges of the study. The State has taken steps to course correct the program by gaining access to the systems and creating corrective measures with the contractor, which should improve performance against the contract. The state should continue to explore the following process improvement mechanisms: <ul style="list-style-type: none"> • Review the program to determine if the structure is impairing realization of savings • Ensuring contractor clarity of program objectives • Reviewing data to closely monitor performance • Holding contractor accountable for performance • Tying contractor payment to outcome-related metrics • Developing internal procedures and restructuring contractor interactions to help drive performance

Summary of Observations and Recommendations

	Observations	Recommendations
Medicaid: State Plan Services (continued)	<ul style="list-style-type: none"> • Emergency Department (ED) Visits: In 2016, the total number of emergency department visits were 51,787, down 10% from FY2015, representing 27,080 participants and \$11.4 million in expenditures^[10]. Overall, ED usage in Wyoming is below the national average. • Copays: The State charges nominal copays for emergency department visits. Expanding copays for unnecessary Medicaid ED visits may prove more problematic than beneficial, particularly in light of the recent decline in visits and associated expenditures. The main challenge with instituting co-pays is the determination around what qualifies as an “unnecessary” ED visit. Collecting the co-pay also creates an additional administrative burden for the facility. • Readmission: The state has one of the lowest readmission rates in the country at slightly over 6%. 	<ul style="list-style-type: none"> • Overall, ED usage in Wyoming is below the national average. Instituting copays for unnecessary Medicaid ED visits may prove more problematic than beneficial, particularly in light of the recent decline in visits and associated expenditures. In at least one state, an attempt to institute ED copays has been blocked by lawsuits filed on behalf of hospitals. Initial research points toward a recommendation not to institute co-pays, but further research would be warranted to rule it out (see Appendix for more detail).
Medicaid: Oversight & Quality Management	<ul style="list-style-type: none"> • Quality Improvement Organization (QIO) Vendor: The state contracts with Optum for quality improvement services, including post-pay reviews, mortality reviews, and prior-authorization reviews for Psychiatric Residential Treatment Facilities (PRTF). WDH also tracks activities in Kronos for all staff that can claim time at higher federal match rates. (WINGS, WES, MMIS, Eligibility Functions). • Internal Oversight: For certain classes of professionals (such as physicians, nurses and behavioral health professionals), WDH currently tracks time in Kronos to ensure enhanced match (75% FFP) for utilization review and quality assurance and improvement activities. 	

Summary of Observations and Recommendations

	Observations	Recommendations
Medicaid: Long Term Services and Supports	<ul style="list-style-type: none"> • Facility Based Care versus Home & Community Based Care: As of SFY2016, average monthly enrollment in nursing facilities was 1,688, an increase of 3.0% of SFY2015, while Long-term Care and Assisted Living Facility Waiver enrollment increased 9.5% in SFY2016 to 1,804. • Per Member Per Month Costs: The per member per month (PMPM) expense for the Long-term Care and Assisted Living Facility Waiver programs for SFY2016 was \$4,355 and \$1,715, respectively. The Intellectual and Developmental Disabilities (I/DD) and Acquired Brain Injury (ABI) Waivers had an average enrollment of 2,389 in SFY2016, an increase of 5.0% from SFY2015, and an average PMPM of \$4,487^[7]. • Rate Rebasing: Developmental Disabilities provider service rates were rebased two years ago. WDH is in the process of completing a second, expedited rebasing analysis by January 2018. If approved by the State Legislature, this would be implemented in July 2018. • Electronic Visit Verification: The State does not use EVV for home and community based services. The 21st Century Cures Act mandates that states implement an EVV system to manage personal care services by January 2019 and all home health care by 2023. Failure to comply could result in loss of up to 1% of federal medical assistance^[32]. The State is in the process of procuring EVV functionality that will integrate with the new MMIS (also currently in procurement). 	<ul style="list-style-type: none"> • WDH should accelerate the implementation of Electronic Visit Verification - an electronic time sheet - used to accurately record the length of home health visits and to reduce Medicaid fraud. EVV has resulted in savings ranging from 5% to 25% of home health expenditures in TX, IL, FL and other states. The state spends about \$175 million in home health services currently (including state and federal funds).

Department of Health

Summary of Observations and Recommendations

	Observations	Recommendations
Medicaid: LTSS (continued)	<ul style="list-style-type: none"> • Provider Tax: The State does not charge a provider tax for the state run Intermediate Care Facility (ICF) at the Wyoming Life Resource Center (WLRC). 	
Coordination of Care	<ul style="list-style-type: none"> • Pilot: The Department is in the second year of a two year pilot project to determine if care coordination support will help reduce the cost of super-utilizers. After implementation of some corrective action plans, the pilot is entering its second phase in the hopes of delivering meaningful learnings for the State as it determines if managed care is right for Wyoming. • Service Delivery: The responsibility for service delivery varies by program with many aspects of service delivery divided across agencies for some programs. As an example, in the court-ordered placement programs, DFS provides Room and Board, Health provides medical services, and WDE provides educational services. 	<ul style="list-style-type: none"> • As the WDH completes its super-utilizer study, the enhanced federal match for health home options should be pursued for regions that have the appropriate infrastructure. For regions that do not, focus should be put on making them ready to maximize the health home benefit. • WDH should evaluate opportunities to better align with agencies who they partner with to provide care.
Technology	<ul style="list-style-type: none"> • Medicaid Management Information Systems (MMIS): The state is halfway through the transition from a traditional system to an MMIS using a modular implementation concept. The State will fully stand up the new system by 2020. The system will consist of 7 modules including but not limited to: Data Warehousing, Pharmacy Benefit Management System (PBMS), Common Eligibility, and the Health Information Exchange (HIE). The Wyoming Eligibility System (WES) is a rules based eligibility system that was implemented in 2014. WDH is pursuing opportunities to leverage the system for Electronic Document Management System (EDMS) functions for DFS and Child Welfare. 	<ul style="list-style-type: none"> • WDH should transition the DFS onto the common eligibility system given the shared enrollees.

Summary of Observations and Recommendations

	Observations	Recommendations
Medicaid: Long Term Services and Supports (continued)	<ul style="list-style-type: none"> • Service Authorization and Utilization Review: The State contracts with external vendors for utilization management services rather than managing the process internally. • Worker Shortages: The State experiences worker shortages in a number of professions, including nursing, with the largest portion of shortages occurring in the Community Choice Waiver program. 	
Medicaid: Waivers	<ul style="list-style-type: none"> • Home and Community Based Services (HCBS): WDH has shifted focus to try to enroll as many new participants as possible in HBCS as opposed to facility-based care. The Developmental Disabilities Waiver was redesigned, where everyone in the waiver was grandfathered into the Comprehensive Waiver, and new participants are initially enrolled in the Supports Waiver, where spending is capped at \$17,000. Should a new participant require more support, they undergo a review process to see if transferring to the Comprehensive Waiver is justified, where the average cost per participant was \$45,910 in FY2016. • Wait List: There is an 18-month waiting list for the Developmental Disabilities Waiver. There is no waitlist for the Aging and Disabilities Waivers (uncapped in 2013). • Service Authorization: The current service authorization is tied to a standardized assessment of need, though guidance on granting services could be clearer. • Annual LOC Redetermination: The State requires participants to complete the LT101 tool assessment annually for Level Of Care (LOC) redetermination. 	<ul style="list-style-type: none"> • WDH should focus on shifting people currently in nursing homes to community based services with a focus on the population between the ages of 22 and 65. To help accelerate this process, the state should develop a transition plan that includes the following: <ul style="list-style-type: none"> • Targets for rebalancing the population (those between the ages of 22 and 65 transitioned at a rate of 2%, which is twice the rate for those over 65) • Use of the Section Q of the Minimum Data Set (Nursing Facility Resident Assessment Instrument) to identify and prioritize nursing residents for transition to the community. (Research indicates that the Q+Index, applied to MDS 3.0 assessments can identify a population closely resembling persons who have transitioned in the past.) • Tracking and monitoring of outcomes for participants who have transitioned to community-based care

Summary of Observations and Recommendations

	Observations	Recommendations
Medicaid: Indian Health Services (IHS)	<ul style="list-style-type: none"> • Indian Health Services Facility: The State has one IHS hospital in the Wind River Reservation. • Shared Savings: The State has created an innovative shared savings approach in which IHS and tribal health programs share in the enhanced match to encourage their participation and cooperation. • Uncompensated Care Waiver: The state has been waiting for two years for approval of an uncompensated care waiver for IHS. Should CMS approve this waiver, it could yield additional savings for the state. • LTSS funding for IHS: Wyoming was the first state to develop and implement an Office of Management and Budget (OMB) encounter-rate based methodology. In 2016 numerous rate and coverage changes were approved to increase Medicaid funding. Both tribes are certified and enrolled as LTC waiver providers, and Medicaid contracted with the Northern Arapaho tribal health program for an out-stationed Tribal Medicaid edibility worker. • Tribal Leadership: In 2015, WDH worked collaboratively with the Tribal health representatives to establish the Tribal Leadership Advisory Council to work with all WDH divisions, both Tribes, and IHS to prioritize policy and coverage needs, support design and implementation of policy changes, and serve as conduit for Tribal Consultation. WDH has recently contracted with the Tribes for an out stationed eligibility worker as part of a pilot project. 	<ul style="list-style-type: none"> • The State has made considerable headway on maximizing IHS funding for physical health. If the out stationed eligibility worker pilot s successful, WDH should enter into additional contracts for co-located Tribal Eligibility workers. The state should also work to accelerate the negotiations with the tribal leadership to maximize enhanced match opportunities for LTSS as well. The State should also establish a transition plan with outcome based objectives. Accelerated implementation offers significant return on investment for the cost of vendor services. • The State should evaluate anticipated timelines for implementation of systems that must be in place to claim 100% Federal financial participation (FFP) for IHS/Tribal referral to non-IHS/Tribal providers, in consideration of procuring a vendor to accelerate the process and ensure enhanced claim of eligible services. The FFP represents the Federal government's share of expenditures in a Medicaid program. • That State should explore opportunities within home and community based services to serve Native Americans via existing and new waivers. Drawing 100% FFP on these services provides a cost effective means to providing services with potential to improve health outcomes.

Summary of Observations and Recommendations

	Observations	Recommendations
Medicaid: Indian Health Services (IHS) (continued)	<ul style="list-style-type: none"> • IHS Best Practices: Wyoming should be commended for their innovative approach to establishing the necessary protocols and infrastructure to realize Medicaid savings, and for promoting coordination of care through collaboration with tribal governments and IHS. This is a model that other states have recognized as a best practice and are working to replicate. • Tribal Negotiations: The state is waiting on care coordination with the tribes. There has been leadership turnover within the tribes, which has delayed the negotiations and realization of significant savings in the transition to allow for the draw of 100% match. 	
Behavioral Health	<ul style="list-style-type: none"> • Federal Funds: As a result of the opioid crisis and other Federal priorities, there are Federal grants available to assist with behavioral health issues. The State is pursuing the Prescription Drug / Opioid (PDO) overdose grant from the Substance Abuse and Mental Health Services Administration (SAMHSA) to assist with implementing preventative measures. The State has been hesitant to pursue the enhanced match for the Community First grant due to the uncertainty with regard to the long term viability of the grant and the associated Maintenance of Effort (MOE). • State Hospital: The State hospital is an involuntary facility driven by Title 25 involuntary commitment program and has high levels of recidivism at 20-27%. The State is in the process of executing an MOU with private hospitals to collaborate with gate keepers regarding crisis stabilization and coordination of care. 	<ul style="list-style-type: none"> • The State should analyze the potential federal funds available for Behavioral Health to determine if the funds align with the goals and objectives of the department. For example, funds are available with a 2 year 90% match to develop health home options for behavioral health. The State is currently assessing opportunities to maximize the use of health home funds as a part of the Super-Utilizer study. • The State should explore options to provide Behavioral Health services to uninsured and Medicaid-ineligible citizens to keep them stable in the community and avoid more costly institutional care services in the future.

Summary of Observations and Recommendations

	Observations	Recommendations
Payment Error Rate Measurement (PERM)	<ul style="list-style-type: none"> • CMS PERM Review: With the start of the new Federal fiscal year, a new 3-year cycle of PERM is just kicking off – 17 states are done each year of the cycle. Wyoming is in the first group of 17 states. The PERM review has started, but the first data draw will not take place until October 2017. In contrast to the previous PERM cycle when eligibility reviews were suspended, the upcoming cycle will complete these reviews. • Eligibility Determinations: Prior to 2014, DFS was responsible for handling eligibility determinations, which were conducted manually at regional field offices. Upon transfer of the eligibility function to WDH, the process was centralized and automated using a rules based system. • PERM Pilots: WDH has results from four rounds of PERM pilot reviews to assess system functionality and certain types of cases. The Eligibility unit used the results of the pilot reviews to determine any needs the agency received with regard to system and policy changes, as well as any additional training required. • Internal Review System: WDH's internal eligibility error review processes have tested 100-175 cases per month since 2014 including 800+ PERM reviews. These eligibility errors are documented in worksheets to provide an audit of the errors, but the error rates, error codes, cost of the error, and other data that will be tracked for the 2018 PERM review were not tracked in a database prior to FY2018. 	<ul style="list-style-type: none"> • WDH began tracking the additional data in FY2017 and recently began using a database in the Federal FY2018. As PERM tracking and error resolution evolves, WDH should develop standard definitions and error codes that are consistent with CMS's guidance and error checking, define and follow a methodology to ensure that sample sizes selected for review are statistically significant and representative, follow the standard for estimating the dollar impact of the error, and begin to document the error codes in a database for improved decision making on a more timely basis. • The State should begin to integrate the error rate tracking with the performance dashboarding capability to transition the continuous monitoring of vendor performance and establishment of Corrective Action Plans (CAPs) to a more real time basis so that recurring, systemic issues are resolved quickly and to reduce overall error rates.

Transition to Home and Community Based Care

WDH should target residents under the age of 65 for potential transition to Home and Community Based Care.

Key Findings

- **Money Follows the Person (MFP) demonstrations indicate that residents under the age of 65 appear to transition to the community at a higher rate than older residents:**
 - In 2014, 19% of residents in a Nursing Facility for more than 90 days were between the ages of 22 to 65 years old.
 - The percentage of pre-retirees has seen an upward trend increasing from 17% in 2006 to 18% in 2010 and 19% in 2014.
 - Of residents between the ages of 22 to 65 in a Nursing Facility for more than 90 days, 2% transitioned to the community or twice the rate of transitions for adults over 65.
- **MFP also found that participants that transition to Home Based Care reported a higher quality of life.^[13]**
- **States rely on Section Q of the Minimum Data Set (Nursing Facility Resident Assessment Instrument) to identify and prioritize nursing residents for transition to the community.**

MFP 2015 Annual Evaluation Report estimates per beneficiary total Medicaid and Medicare expenditure savings, post transition.^[33]

	Older Adults	Younger Adults with Physical Disabilities	Individuals with I/DD
Monthly	\$1,840	\$1,783	\$4,013
Annually	\$22,080	\$21,396	\$48,156

Telehealth Practices

WDH should take steps to become a practice leader in telehealth for evaluation and management services, psychiatric visits, and remote patient monitoring.

The GAO report on telehealth monitoring found that low proportions of beneficiaries receive care through telehealth in Medicare, Medicaid, VA and DOD. Less than 1% of patients receive care in Medicare and DOD, while 12% in the VA receive telehealth care.^[34]

0.2% of Medicare Claims

Percent of Medicare Part B fee for-service beneficiaries that accessed services using telehealth^[14]

12% of VA Claims

Percent of Veterans Receiving telehealth Services^[14]

Primary Uses

Evaluation & Management Services 66%

Psychiatric Visits 19%

Key Metrics

Veterans Living in Rural Areas 45%

Using Remote Patient Monitoring 3%

Note: Every VA facility is in the same "healthcare network" under the same ownership using a single technology platform, facilitating top down policy and operational changes.

WDH Savings Estimates

ESTIMATED ONE-TIME INVESTMENT AND BIENNIAL SAVINGS

Investment and savings ranges shown below reflect estimates of the impacts of A&M recommendations for federal funds, process, technology and shared services changes. These amounts are subject to change based upon the implementation strategies selected. In addition, potential costs associated with additional planning activities are not reflected in these estimates.

	Est. One-Time Investment (State Funds)		Est. Net Biennium Savings (State Funds)	
	Low	High	Low	High
Telemedicine Expansion	\$0	\$0	\$119,958	\$399,861
Indian Health Services	500,000	1,000,000	10,720,112	24,560,112
Home and Community Based Services Expansion	500,000	1,000,000	4,695,799	9,391,598
Electronic Visit Verification	876,882	1,753,765	4,384,412	8,768,824
State Total	\$1,876,882	\$3,753,765	\$19,920,282	\$43,120,396



Outline

- I. Executive Summary
- II. Background and Purpose
- III. Cross Agency Benchmarking and Analysis
- IV. Department of Administration & Information
- V. Department of Education
- VI. Department of Health
- VII. Department of Revenue / Department of Audit**
- VIII. Other \$20M Agency SAGE Reports

Departments of Revenue & Audit

Overview

- The Wyoming Department of Revenue (WDR) is responsible for the administration and collection of mineral and excise taxes, as well as the valuation of property and the wholesale distribution of alcoholic beverages.
- The Wyoming Department of Audit (Audit) is responsible for conducting audits for the collection of Federal and state mineral royalties, state mineral and excise taxes, regulation of financial institutions, and auditing of public agencies and local governments.
- WDR and Audit partner in the auditing and collection of taxes through a memorandum of understanding.
- A&M conducted analysis of the various tax sources to better understand revenue trends.
- A&M reviewed trends in the staffing levels for audit and collections positions, and their revenue generating capacity.

Observations

- The State's decision to reduce audit and collections staff to manage budgetary pressures may be contributing to the decline in tax collections.
- While WDR and Audit do collaborate throughout the tax collection process, there is not a function dedicated to consistently identifying key audit targets.
- WDR invests in technology and supplies for the county assessor's offices to help facilitate the assessment process. Property taxes are generally reassessed on a six-year cycle.

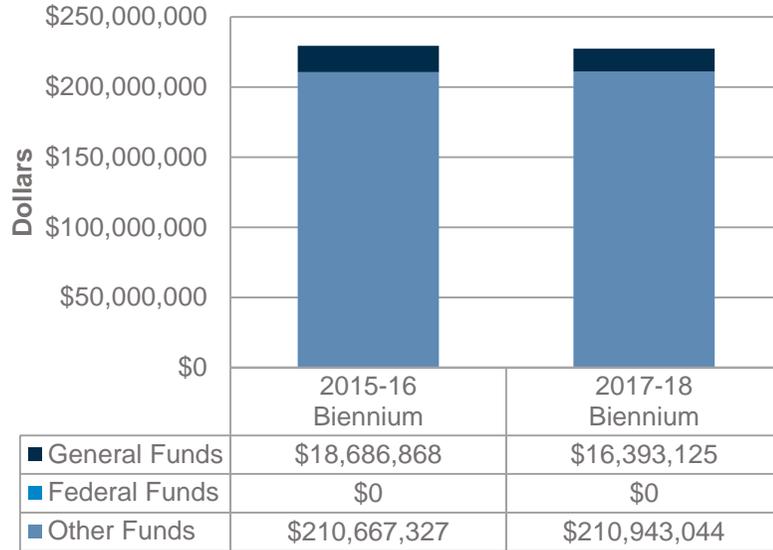
Recommendations

- Hire back 8 audit staff and 10 collections staff to maximize tax collections.
- Establish a Discovery Unit co-led by both agencies to determine the overall audit plan for the State.
- Invest in aerial imagery to facilitate more frequent and accurate property tax assessments.

AGENCY PROFILE

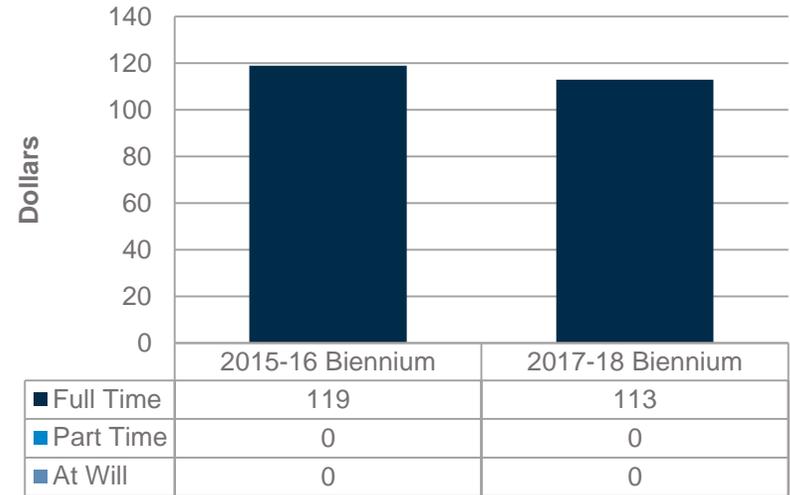
Budget Trend^[35]

Biennium Budget



Headcount Trend^[35]

Biennium Budget Headcount



Key Performance Indicators

Local & State Assessed Value Per Capita	\$35,752
Liquor Division Contract Staff	6

Administrative Costs

Departmental FTE ^[35]	113
FTE Per Million Residents ^{[35],[36]}	193.0
Department Budget ^[35]	\$ 227,336,169
Budget Per Capita ^{[35],[36]}	\$388.28

State Tax Revenue Growth 2Q2016 to 1Q2017^[38]

State governments with oil heavy economies such as North Dakota and Wyoming have been hardest hit in the latest downturn.

Tax Growth by Quarter 2Q 2016 through 1Q 2017



Tax Collection Sources^[39]

Wyoming does not collect personal or corporate income tax, requiring a more significant portion of revenues to come from sales and other taxes.

Tax collections by source as a percentage of total tax collections, 2013						
State	Property tax	Sales tax	Select sales (excise) taxes	Personal income tax	Corporate income tax	Other taxes
Wyoming	15.20%	32.10%	5.70%	0%	0%	47%
Montana	9.90%	0.00%	21.10%	39.50%	6.50%	22.90%
North Dakota	0.10%	23.90%	9.30%	12.10%	4.30%	50.30%
South Dakota	0.00%	55.70%	24.40%	0.00%	2.40%	17.50%
Idaho	0.00%	37.00%	12.50%	36.10%	5.60%	8.70%
Nebraska	0.00%	35.40%	11.20%	44.50%	5.80%	3.00%
Alaska	1.90%	0.00%	4.90%	0.00%	12.30%	80.90%
New Mexico	1.40%	37.80%	13.10%	23.90%	5.10%	18.60%
West Virginia	0.10%	23.30%	24.60%	33.40%	4.50%	14.00%
Maine	1.00%	27.60%	18.20%	39.40%	4.40%	9.30%
Vermont	33.80%	12.10%	22.10%	23.00%	3.70%	5.40%
Average	4.82%	25.28%	16.14%	25.19%	5.46%	23.06%

Combined Sales Tax Rates^[40]

Wyoming sales tax rates are in line with other benchmark states.

Combined sales tax rates, 2015				
State	State sales tax	Average local sales tax (a)	Combined	Ranking
Wyoming	4.00%	1.47%	5.47%	43
Montana	None	None	None	47
North Dakota	5.00%	1.56%	6.56%	30
South Dakota	4.00%	1.83%	5.83%	40
Idaho	6.00%	0.01%	6.01%	36
Nebraska	5.50%	1.30%	6.80%	26
Alaska	None	1.76%	1.76%	46
New Mexico	5.13%	2.22%	7.35%	16
West Virginia	6.00%	0.07%	6.07%	35
Maine	5.50%	None	5.50%	42
Vermont	6.00%	0.14%	6.14%	34
Average	5.39%	1.11%	5.78%	

Property Tax Assessment

Wyoming's local property tax assessors are challenged to cover the large and mountainous terrain to conduct property tax assessments in a timely manner.



Department of Revenue and Department of Audit

Summary of Observations and Recommendations

	Observations	Recommendations
Department of Revenue Overview	<ul style="list-style-type: none"> • Department of Revenue Divisions: WDR has four operating divisions – excise taxes, property taxes, mineral taxes, and the liquor division. • WDR Budget: The Department’s budget is \$227.3 million for the FY2017-2018 biennium. The Department’s expenditures per capita are budgeted at \$388 for the FY2017-2018 biennium, split \$28 in GF, \$0 FF, and \$360 in OF. • Litigation Backlog: WDR’s tax litigation backlog is approximately \$690,000. The Department does not use outside counsel to pursue litigation, electing to use the Attorney General’s Office for all matters. 	<ul style="list-style-type: none"> • The Department has a backlog of 51 cases for collection. The Department should work with the Attorney General’s Office to determine if outsourcing of high priority cases would accelerate and / or improve collection amounts. • The Department should consider adding performance metrics to better measure job performance.
Department of Audit Overview	<ul style="list-style-type: none"> • Department of Audit Divisions: DOA has three operating divisions – Revenue, Accounting, and Financial. These divisions are responsible for verification of excise and mineral taxes, the State’s Single Audit, and bank supervision, respectively. • DOA Budget: The Department’s budget is \$23.4 million for the FY2017-2018 biennium. The Department’s expenditures per capita are budgeted at \$37 for the FY2017-2018 biennium, split \$21 in GF, \$8 FF, and \$8 in OF. 	<ul style="list-style-type: none"> • The Department should consider adding performance metrics to better measure job performance.
Separation of Duties	<ul style="list-style-type: none"> • Departments of Revenue – Audit Relationship: Based on the findings of the Ferrari Study, the state decided to separate the Department of Audit from the State Auditor’s Office to avoid potential conflicts of interest. The Audit function, was also removed from the Department Revenue. The two agencies now collaborate through a Memorandum Of Understanding (MOU). 	<ul style="list-style-type: none"> • The Departments should establish a cross-functional Discovery Team to conduct audit targeting, to invest in technologies that enable advanced analytics, and periodically revise audit and collection procedures according to the Discovery Team’s recommendations. (See the following page for more detail)

Department of Revenue and Department of Audit

Summary of Observations and Recommendations

	Observations	Recommendations
Cross Agency Collaboration	<ul style="list-style-type: none"> • Discovery Process: WDR uploads tax data for review by the Department of Audit, who handles the majority of data mining required. The process for identifying outliers is more exception based. • Auditing Power: WDR is responsible for assessing taxes, but can't dictate who is actually audited, but if something irregular is identified in the assessment and collections process, they will notify Audit. • Taxability: The Department of Audit will contact WDR if a question about taxability arises during an audit. • Audit Process: After an audit is finalized with the Department of Audit, it is electronically downloaded to WDR's system. The WDR transferred from an manual transfer process to an electronic system in 2011, with a common user interface across divisions. The WDR system also interfaces with the Department of Audit's system. The system change reduced the need for staff validation. • ETS & WDR Systems: ETS has consolidated IT under one umbrella, but there is a small contingent of staff that supports the mineral, excise, and liquor divisions. WDR anticipates there may be succession planning issues as a number of these staff members are nearing retirement. • ETS & Audit Systems: The Audit Department looked at acquiring a new monitoring system, but found estimates to be cost-prohibitive. Instead, ETS is re-writing the enterprise application system. The department also has looked at the CaseWare IDEA system for risk assessment. 	<ul style="list-style-type: none"> • The Departments should establish a formal Discovery Unit that crosses agency boundaries. The Discovery Unit would be co-led by agency leadership and would receive input from audit, legal affairs, and other areas to determine the audit plan and provide for a closed-loop process. • The Department should analyze the audit selection process for Sales Tax to ensure that the division is effectively identifying any potential errors, and execute additional audits based on the Discovery team's audit plan (centralize). • DOA should implement new information monitoring and discovery tools and should initiate a statistical analysis software of sales tax data for improved audit selection, auditor productivity, audit accuracy, improved tracking and to expand audit coverage.

Department of Revenue and Department of Audit

Summary of Observations and Recommendations

	Observations	Recommendations
Audit Staffing Levels	<ul style="list-style-type: none"> • Audit Staffing: The Department of Audit has 102 auditors across functions, which represents an 12% decrease over the past five years, the most dramatic of which came in the past year. 	<ul style="list-style-type: none"> • The Department of Audit should increase number of auditors and re-build the expertise lost on the Minerals and Excise Tax team by hiring back the 8 lost positions.
Collections and Revenue Staffing Levels	<ul style="list-style-type: none"> • WDR Staffing: The Department of Revenue currently has 112 staff, plus 6 contract employees for the liquor division. The staffing levels have declined from 139 employees 20 years ago to the levels today. The staff reductions include the loss of 7 staff and associated vacancies during the April hiring freeze and staff reduction exercise. • Collections Functional Focus: The collections staff used to be more functional based, now more customer facing and have been trained to handle an account from cradle to grave. The team is also trained to handle delinquencies. WDR also uses an external collections agency (private company that attempts to collect for the agency) for past due collections. • Delinquencies: Notices are sent to taxpayers throughout the collections process. Liens are filed after 110 days. For excise taxes, the WDR Director is involved in the process to determine if the license should be revoked. 	<ul style="list-style-type: none"> • The Department of Revenue should hire an additional 10 collections staff allowing for the department to provide for both functional experts as well as generalists that can handle a broad based customer interaction and help the agency to improve customer service while retaining the Subject Matter Experts (SMEs) necessary to address the most complex situations.
Technology	<ul style="list-style-type: none"> • Excise Tax Systems: The Excise tax divisions of Audit and Revenues use systems that include ETAM and ETS2 for audit and collections processes. • Minerals Tax: The WDR Minerals Tax division uses the MTS3 system, which still requires manual processes to download information directly to a disk prior to uploading to coordinated systems. 	<ul style="list-style-type: none"> • The Departments should work with ETS to develop a long range enterprise architecture and software system plan and work to implement that plan to drive down manual processes and increase system functionality.

Department of Revenue and Department of Audit

Summary of Observations and Recommendations

	Observations	Recommendations
Property Tax Valuation Assessment	<ul style="list-style-type: none"> • Assessment Process: Property taxes are assessed at the county level, typically with on-site inspections conducted every six years or at the time a building permit is issued. • Local Property Tax Offices: WDR supports the local tax offices by providing funding for their technology and system needs. The local offices often operate without an audit function. • State Equalization Board: The Property Tax Division used to be under the control of the State Equalization Board. The Board has the authority to ensure that the assessed value meets criteria for fair market value. • Property Tax Penalty: Taxpayers who fail to report property can be charged with a misdemeanor and fined up to \$500. Given the complexities of this penalty, and the burden associated with pursuing it through the Attorney General's Office or the County Attorney's Offices, it is seldom used. 	<ul style="list-style-type: none"> • The State should procure a visual aerial imagery technology service^[41] to allow more for more consistent tracking of property development for more accurate valuation assessment. This would also allow county assessors to complete the valuation process through desk audits and reduce time spent in the field. • The State should revise statutes to create better mechanisms to encourage accurate reporting of personal property owned and situated in Wyoming. Possible considerations would be routine auditing of company records and providing assessors with authority to assess a penalty for erroneous or non-reporting.

Department of Revenue and Department of Audit

Summary of Observations and Recommendations

	Observations	Recommendations
Mineral Tax Valuation Assessment	<ul style="list-style-type: none"> • Mineral Type Focus: The largest mineral groups are petroleum, coal, tronite, and bentonite (in that order), and the mines are on a regular audit cycle. Companies generating 96% of the value in oil and gas are audited every year. • Mineral Valuation: Minerals are valued using “arms length transactions”. The mineral assessment is verified by comparing volumes reported to WDR to what is reported to WY Oil and Gas and reviewing any large discrepancies. There is the potential for significant litigation. Concerns exist related to whether producers are gaming valuations. As a result, WDR is currently investigating the option to use a discounted cash flow (DCF) methodology to value mineral property for ad valorem taxes. • Minerals Tax Staffing: There is a high need for experts in the field to review complex transactions, gas swapping, establishment of new companies and contracts, and to review producer processed gas where the delays between assessment and collection, combined with the complexity associated with the business, can drive significant workload and have the potential for loss of revenues. • Education: The Mineral Tax Division meets with new operations to help them understand how to report the tax. 	<ul style="list-style-type: none"> • The Department should hire additional collections staff for the minerals division to ensure proper staffing and implement training programs to maximize collections of mineral taxes. • The Department should conduct a five year lookback / sampling approach of the Minerals Tax DCF valuation processes to determine the impacts to revenues both from upside and downside valuation swings and propose changes to the valuation processes to help reduce swings and provide clarity to the producers related to valuation processes. • The recommended Discovery Unit should assist with analysis and prioritization of audit and collections activities. DOA should maintain its focus on auditing major mineral taxpayers, but also ensure that they are reviewing smaller taxpayers to ensure they are paying the appropriate amount of taxes.

Department of Revenue and Department of Audit

Summary of Observations and Recommendations

	Observations	Recommendations
Excise Tax Division	<ul style="list-style-type: none"> • Remote Transactions: The State forgoes a significant amount of excise tax revenues from online retailers selling goods to customers in Wyoming. There is new legislation requiring vendors who sell more than \$100,000 in annual revenues or 200 annual transactions to collect sales tax. WDR has filed legal action against a number of online retailers for violating the legislation. • Online Retailer Relationships: There are currently about \$23 million to \$46 million in remote sales taxes are not being collected. Some vendors have started collecting taxes for their sales into the State of Wyoming, but may not include sales from Third Party Vendors through the online platforms. The State is working with the vendor(s) to develop alternative approaches to collecting these funds through the vendor platform. • Taxpayer Education: The Excise Tax Division operates an education section to help sales and use tax payers. A major goal of the program is to provide excise tax education to vendors before they begin operations. 	<ul style="list-style-type: none"> • The State should continue to explore opportunities to recover taxes paid on remote or online transactions, including contracting with Amazon to collect taxes on the state's behalf from vendors who sell on Amazon Marketplace.
Liquor Division	<ul style="list-style-type: none"> • Division Funding: The Liquor Division is funded by revenue generated from liquor sales. Over the past five years, the Liquor Division has grown by 25% and contributes positive net operating results to the Department. 	

Revenue and Audit Agency Savings Estimates

ESTIMATED ONE-TIME INVESTMENT AND BIENNIAL SAVINGS

Investment and savings ranges shown below reflect estimates of the impacts of A&M recommendations for federal funds, process, technology and shared services changes. These amounts are subject to change based upon the implementation strategies selected. In addition, potential costs associated with additional planning activities are not reflected in these estimates.

	Est. One-Time Investment (State Funds)		Est. Net Biennium Savings (State Funds)	
	Low	High	Low	High
Hire back 8 Audit Staff	\$ -	\$ -	\$ 4,800,000	\$ 9,600,000
Hire back 10 Collections Staff	0	0	7,000,000	14,000,000
Establish Discovery Unit	2,000,000	2,500,000	7,500,000	15,000,000
State Total	\$2,000,000	\$2,500,000	\$ 19,300,000	\$38,600,000
Local Impacts	1,992,000	1,992,000	852,305	2,142,679
Total	\$3,992,000	\$4,492,000	\$20,152,305	\$40,742,679



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Other \$20M Agencies

Overview

- As a part of the State's efforts to drive efficiency, agencies were asked to submit reports detailing the work they had done to promote efficiency, non-priority programs, statutes that lead to inefficiency, and any recommended efficiencies.
- The A&M team reviewed the SAGE reports to understand the efficiency efforts of agencies with \$20 million budgets that were not included in the key assessment areas and identify any recommendations that should be further explored.
- Unlike the key assessment areas, the review of the other agencies was limited to the reports provided to the SAGE commission. Recommendations focus on opportunities for further study.

Observations

- Agencies often engage in one-off purchasing of technology solutions without consideration of statewide integration.
- GIS/aerial imagery technology could provide a number of benefits to the State in addition to property tax assessment.
- The Department of Corrections ended the in-prison substance abuse treatment program, which has contributed to an increase in inmate recidivism.
- A significant portion of the workers compensation debt reflects penalties and interests, and is largely uncollectable.

Recommendations

- Develop a structure where ETS must approve technology spending above a certain threshold.
- Identify opportunities to better integrate technology solutions across agencies.
- Expand exploration of aerial imagery solutions to identify to all purposes that the technology could serve.
- Evaluate opportunities to leverage Federal funds to increase healthcare services to inmates, particularly in the area of substance abuse prevention.
- Enable a debt write-off for outstanding workers compensation debt.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
Attorney General's Office	<ul style="list-style-type: none"> • Agency Work to Promote Efficiencies: To date the agency has implemented savings measures to reduce the use of outside counsel, save on labor through the purchase of Crime Scene Scanners and training for local law enforcement, reductions in Control Terminal services and associated Reduction In Force (RIF), through infrastructure improvements at the Law Enforcement Academy, and through the implementation of a grants management system to improve execution of federal grants for Victim Services. • Non-Priority Programs: The agency is considering whether the Peace Officer Standards Training (POST) Commission could be merged with the Wyoming Law Enforcement Academy. • Statutes that Lead to Inefficiency: Charges for duplicate concealed firearms permits do not cover costs, resulting in a loss of \$5 for every permit issued. • Recommended Efficiencies: The agency recommends allowing for the attorney general to approve the use of private attorneys by all state agencies, approving the use of video technology for criminal testimony, allowing for pay flexibility and adjustments to leave compensation, elimination of levels of officer certification, and creating a regional model for Domestic Violence/Sexual Assault (DVSA) programs. 	<ul style="list-style-type: none"> • The state should undertake an organizational study including a programmatic review of the Peace Officer Standards Training (POST) Commission and the Wyoming Law Enforcement Academy to determine if consolidation is warranted. • The state should undertake a study of fees for licensing and permitting across the state agencies to ensure that the fees a) are appropriate for services offered; b) cover the cost of the service; c) are mandated by statute rather than regulation creating inefficiencies. In particular, the state should review how the fee structure can be modified to allow for more flexibility in the assignment of fees, while placing the necessary guardrails on the fees relative to cost and processing requirements. • The state should require approval by the attorney general for the use of private attorney's by all state agencies. • The state should consider the use of video technology for testimony, motion hearings, and non-jury trials to reduce travel time and overtime costs. • The state should study creating a regional model for Domestic Violence/Sexual Assault (DVSA) programs rather than funding the county based model in place today to drive down administrative costs in a more distributed model and increase service levels to the victims of domestic violence.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
Department of Agriculture	<ul style="list-style-type: none"> • Agency Work to Promote Efficiencies: The agency has reduced the general fund budget by 16.2% between BFY13 and BFY17 by implementing a tiered priority system to focus protection on health and commerce, by creating a regional structure, and by streamlining inspections. • Non-Priority Programs: The department eliminated the Wildlife/Livestock Disease Research Program and the Applied Producer Research Grant Program, which were not statutorily required. • Statutes that Lead to Inefficiency: The state could relax the statutorily defined frequencies for inspections in certain areas could lead to efficiencies. • Recommended Efficiencies: Staffing levels would be increased to enable the department to efficiently carry out the statutory requirements. 	<ul style="list-style-type: none"> • The state should review the existing statutory requirements to determine the proper frequency for inspections across the areas of responsibility for the Department of Agriculture and to establish the appropriate staffing levels to meet the frequency levels established.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
Department of Corrections	<ul style="list-style-type: none"> • Agency Work to Promote Efficiencies: The department has experienced a 2% increase in budget in the past eight years (i.e., between BFY10 and BFY18). At the same time, the institutional bed space increased 39%, the operating capacity increased 41%, and the average daily inmate population increased 53%. The department listed 20 efficiency efforts used during that time to drive efficiency including but not limited to: <ul style="list-style-type: none"> • Reduced Hiring • Renegotiation of contracts • Redesign of the inmate law library • Converted classroom to online training • Fleet Reduction • Adverse Consequences: As a result of the budget constraints, the agency has 122 frozen or unfunded positions which causes 6.7 million in additional overtime, and the loss of funding for in-prison substance abuse has resulted in increases in recidivism of 7%. • Statutes that Lead to Inefficiency: The department has identified energy efficiency projects that cannot move forward due to the inability for the agencies to enter into third party financing. • Recommended Efficiencies: The department recommends reinstating the \$2.3 million in funding for substance abuse related treatment programs and provide for the level of resources necessary to reverse the high rates of recidivism that Wyoming is experiencing. 	<ul style="list-style-type: none"> • The state should study the current statutes related to third party financing and public private partnerships (P3) and consider best practice models from other states that not only allow for P3s implementations, but promote and even request unsolicited bids for public private partnerships that can transfer risk and drive efficiency into government. • The state should undertake a study of Prisoner Health Care with a focus on opportunities to improve billing through Medicaid, address other opportunities to leverage federal funds, and improve the current state of substance abuse in the correctional facilities and the pardon and parole setting.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
Department of Enterprise Services	<ul style="list-style-type: none"> • Agency Work to Promote Efficiencies: After the creation of the Enterprise Technology Services (ETS) in 2012, the agency reduced the IT positions from 283 to 242 FTE, works with the agencies regularly to review technology services, provides a report to agencies on unused cell phones, and has implemented numerous enterprise solutions (LANDesk, Data Center, Cloud, Help Ticket System, etc.) • Statutes that Lead to Inefficiency: ETS recommends increased oversight of IT spend, which is currently not required of agencies when a shift in IT funding is requested, and section 9-2-1036(g) should be updated to reflect the new ETS structure related to the Annual Report on Unfair Competition. • Recommended Efficiencies: ETS recommends implementing a Direct Bill Program through a recapture process involving the Statewide Cost Allocation Program (SWCAP) and appropriating \$3 million in funds for network circuits. The Direct Bill Program would streamline the billing process when ETS provides services to agencies, and ultimately simplify the budgeting process. 	<ul style="list-style-type: none"> • The state should give ETS approval authority over Information Technology expenditures that exceed a certain threshold. • The state should conduct a statewide assessment on alternative billing model for state central services, enact centralized budgeting and management for services, and compel agencies to utilize centralized service functions.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
Department of Environmental Quality (DEQ)	<ul style="list-style-type: none"> • Agency Work to Promote Efficiencies: The department created a Standardization and Efficiency Management Committee (SEMC) in 2016 to drive departmental efficiencies, is part of the Environmental Counsel of the States (ECOS) Business Process Improvement (BPI) practitioners working group, has studied digitization of the permitting systems, and is working to become “substantially paperless” by implementing: <ul style="list-style-type: none"> • IMPACT web based system • Standardizing permitting information and data • Digitizing Paper Files • Conducting Kaizen Events (short duration improvement projects) for permitting processes • Development of the Mining Information Database System (MIDAS) for centralized automation • Using SharePoint to facilitate document sharing • Non-Priority Programs: Nothing was identified. • Statutes that Lead to Inefficiency: No recommendations were provided, however, the Department is evaluating statutory opportunities related to public notices, multi-media coordination, permitting processes, and jurisdictional overlap. • Recommended Efficiencies: The Department made recommendations regarding the implementation of a fully integrated IT system, cooperation / coordination with federal counterparts, flexible spending authority, market salaries to improve retention, and timely permitting. 	<ul style="list-style-type: none"> • The State should conduct a review of the DEQ agency to include programs, jurisdictional overlap, state of technology, and to review the permitting process for both process efficiencies and impact on economic development.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
Department of Transportation	<ul style="list-style-type: none"> • Agency Work to Promote Efficiencies: The agency submitted a report of efficiencies and reduced expenditures that detailed 110 completed or ongoing actions that the Department has taken in aeronautics, financial operations, roads and bridges, support services, technology, and with the Wyoming Highway Patrol. • Non-Priority Programs: The Department identified two significant programs for consideration to reduce spending: <ul style="list-style-type: none"> • Conversion of low volume traffic roads to local government authority or to reduce the surface to gravel • Transfer or cost sharing of the Mountain Automated Weather Observation System (AWOS) to the National Weather Service (NWS) • Statutes that Lead to Inefficiency: The Department recommends modifying language to remove the requirement for WYDOT to approve all bridge designs on public roadways, to change statutes to allow for electronic notifications for license renewals for eligible constituents, and to exempt WYDOT from seeking approval of project plans from the Department of Fire and Electrical Safety. • Recommended Efficiencies: The Department made recommendations to improve commercial air service, enable compensation flexibility for the agency, and indexing of highway user fees to ensure full cost recovery for programs. 	<ul style="list-style-type: none"> • The state should conduct an agency study of WYDOT to establish potential recommendations to include improving commercial air service, fee based studies including highway user fees and permitting fees, a review of insourcing versus outsourcing of engineering staff, span of control recommendations, and a study roadway conversions for low volume traffic to either limited asphalt overlay, transfer to local control, or conversion to gravel. • The State should conduct a study of the AWOS system to determine usage, assess impacts if the AWOS system did not exist, and pursue opportunities for cost sharing and/or cost transfer of the AWOS system to the NWS or the Federal Aviation Administration (FAA). • The State should revise statutes to enable modernization in the communications and processes for license renewals and other motor vehicle actions.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
Wyoming Office of State Lands and Investments	<ul style="list-style-type: none"> Agency Work to Promote Efficiencies: As of May 31, 2017, the Office of State Lands and Investments (OSLI) forecasts indicated that they would generate \$253.8 million in revenue for the State, including a \$46 million one-time land sale payment for a parcel in Grand Teton Park. In 2015, the Office of State Lands began building a new system, the State Lands Asset Management System (SLAMS), that would allow almost all of their programs to operate on an integrated system. The full system is expected to be functional by the end of 2017. OSLI has partnered with EnergyNet to conduct auctions for oil and gas online instead of in-person. There is no cost to the State for this service, which is paid for by a 2% “buyer premium” charged to successful bidders. Utilizing online auctions reduces the cost associated with in-person events and opens the auction to a wider audience of potential buyers. The March 2017 auction generated \$29,793,060 in bonus money. Statutes that Lead to Inefficiency: There are a number of statutory grants and loans programs that OSLI administers that have limited utilization, including the Joint Powers Act Loan Program, the Aeronautics Loan Program, the Hydro-Power Loan Program, and the Courthouse Security Loan Program. Recommended Efficiencies: The Agency indicates that the main opportunities for efficiency lie in automating and upgrading current databases and systems, as well as having statewide databases that communicate across agencies they often interact with including the Oil and Gas Commission and DEQ, and Game and Fish. 	<ul style="list-style-type: none"> The Office of State Lands should continue to drive organizational efficiency through utilizing the full capacity of SLAMS, ensuring all employees are trained and processes are aligned to be able to maximize the system's benefits. The State should continue to pursue online oil and gas auctions and consider transitioning any remaining in-person auctions to this forum. The State should evaluate the statutory requirement for OSLI to administer grants and loan programs that have limited usage, to determine if the benefits warrant the level of effort associated with maintaining the programs. The State should evaluate opportunities to gain efficiency through better system interfacing between agencies OSLI partners with often.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
State Engineer's Office	<ul style="list-style-type: none"> • Agency Work to Promote Efficiencies: The State Engineer's Office (SEO) has tried to gain efficiency through adjustments to the organizational structure, including combining the Deputy and Assistant State Engineer roles and removing a layer of management from the Surface Water Division. The SEO has implemented a cross-training program to increase workforce flexibility in responding to demands on the agency. The SEO continues implementation of the e-permit database system, which drives efficiency by making data available to all employees, in Cheyenne and in the field, as well as to water users. • Statutes that Lead to Inefficiency: Current statutes require an update to the tabulation of adjudicated water rights every two years. Given that all data in the e-permit database have yet to be validated, this timeline is onerous for current staffing levels. Once the data has been verified, the tabulation will occur automatically after each Board of Control meeting. Statutes requiring notification processes by certified mail and newspaper advertisement are expensive and ineffective. • Recommended Efficiencies: The SEO is currently managing both a paper and an electronic permitting system. Once all data has been uploaded and verified in the system, they should gain additional efficiencies by ending paper processes. The Agency also recommends using current GIS land ownership data to verify ownership for permitting purposes and restoring the level of water commissioner staffing. 	<ul style="list-style-type: none"> • SEO should work to ensure that all relevant data has been fully vetted and integrated into the e-permit database. Additionally, SEO should ensure that quality control measures are in place to maintain system integrity. • The State should evaluate whether using current GIS would be sufficient to verify land ownership when making changes to permits.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
State Parks and Cultural Resources	<ul style="list-style-type: none"> Agency Work to Promote Efficiencies: State Parks and Cultural Resources (SPCR) implemented a budget efficiency program and has built it into the Agency's strategic plan and employee's performance goals. The Agency performed a staffing review and has eliminated 21 full and part time staff since 2008. SPCR has performed facilities upgrades to reduce utility costs and consolidated office space to reduce facility costs. Technology has helped to reduce the costs associated with travel and printing. SPCR has begun to evaluate and implement measures to increase State revenues, including adding flexibility to the Park's fee structure to allow for increases in fees, soliciting businesses interested in short term concessions in the park system, and developing RV dump stations. SPCR restructured use of their fleet to reduce the number of permanently assigned vehicles from 98 to 87 since 2009. Statutes that Lead to Inefficiency: The purchase and construction statutory thresholds makes buying smaller projects (less than \$25 thousand) more expensive than they should be. The confines of statutes around fee program funds also reduce efficiency. Recommended Efficiencies: SPCR recommends alternative work locations for employees that do not work the with public and evaluating the opportunity to move entire programs to an 4-day week alternative work schedule. The Agency would like to fully explore Federal grant opportunities. SPCR also recommends removing unnecessary landlines and fax machines, and providing a stipend to employees willing to use their personal phones. 	<ul style="list-style-type: none"> The State should evaluate opportunities to further consolidate SPCR office space through the adoption of alternative work locations and schedules. The State should explore Federal grant programs for which SPCR may qualify but is not currently getting additional funding. The State should evaluate SPCR's recommendation to consolidate communication functions and offer stipends to employees for using their personal devices.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
University of Wyoming	<ul style="list-style-type: none"> • Agency Work to Promote Efficiencies: The agency detailed several million dollars in efficiencies implemented or in process including the WyoCloud implementation, operational consolidation, benefit changes, position eliminations, procurement / strategic sourcing, and academic affairs efficiencies. • Non-Priority Programs: The university did not recommend changes or discontinuation in non-priority programs.. • Statutes that Lead to Inefficiency: The university felt that there was sufficient operating flexibility in statute to allow for efficiency measures to be implemented. • Recommended Efficiencies: The university recommended exploring an upgrade to the enterprise management systems to better integrate with the State. 	<ul style="list-style-type: none"> • The State and university should explore opportunities to improve systems integration and drive down administrative costs.
Wyoming Community College Commission	<ul style="list-style-type: none"> • Agency Work to Promote Efficiencies: The seven community colleges have each implemented cost reductions, and the agency itself reduced staffing by 12.5%. It is important to note that less than 1.5% of the funding is retained by the agency for operations, the rest of the funding is dedicated to the 7 community colleges. • Non-Priority Programs: Nothing was identified. • Statutes that Lead to Inefficiency: Nothing was identified. • Recommended Efficiencies: Nothing was identified. 	<ul style="list-style-type: none"> • The State should conduct a review of the Wyoming Community College Commission and the associated 7 community colleges for potential efficiencies in staffing, benefits consolidation, technology programs, and the receipt and use of federal funds.

Other \$20M Agency SAGE Reports

Summary of Observations and Recommendations

	Observations	Recommendations
Workforce Services Debt Collection	<ul style="list-style-type: none"> • Workforce Services Outstanding Debts: The State's Workforce Services Department is responsible administering the workers' compensation and unemployment insurance programs, including collection of outstanding debt associated with the programs. • Debt Collection Mechanisms: The Workforce Services Department has a number of mechanisms to collect outstanding debts, including internal collection staff, county attorneys for local debts, the Attorney General's office, an external collection agency, and a treasury offset program (TOP) for specific to unemployment insurance. • Workers' Compensation Insurance: The State is maintaining workers' compensation debt of \$37 million, much of which is interest and fees that is believed to be uncollectable. • Unemployment Insurance: There is currently about \$8 million in uncollected business tax for unemployment insurance (UI) and \$17 million in insurance overpayment debt. According to state statute, UI debts can be written off after 8 years. There is currently a \$58 million technology project funded by the Federal Government to modernize the UI system. 	<ul style="list-style-type: none"> • The State should write-off workers' compensation debt before a certain date and institute an amnesty/reduced payment plan for debtors to collect as much of the debt as possible. • The State should evaluate opportunities to expand the focus of the unemployment insurance technology upgrade to include tangential programs. There may be an opportunity to recover federal funding for systems that feed or integrate with the UI Systems, such as the general ledger system or human resource system, through revised cost allocation procedures. This would help with system integration efforts and maximize the impact of the federal resources associated with the upgrade.

Other \$20M Agency Savings Estimates

ESTIMATED ONE-TIME INVESTMENT AND BIENNIAL SAVINGS

Investment and savings ranges shown below reflect estimates of the impacts of A&M recommendations for federal funds, process, technology and shared services changes. These amounts are subject to change based upon the implementation strategies selected. In addition, potential costs associated with additional planning activities are not reflected in these estimates.

	Est. One-Time Investment		Est. Net Biennium Savings	
	Low	High	Low	High
Corrections Substance Abuse Program	\$ 2,272,015	\$ 2,272,015	\$ 4,735,218	\$15,368,490
Department of Transportation	0	0	285,680	405,680
Enable Workers Compensation Debt Write-off	0	0	1,000,000	1,500,000
State Total	\$2,272,015	\$2,272,015	\$6,020,898	\$17,274,170

APPENDIX A: DATA SOURCES



Appendix A: Data Sources

Cross Agency Benchmarking and Analysis

[1] Wyoming Department of Administration and Information, LSRA Balance History, 2017

[2] Wyoming Department of Administration and Information, Final Fiscal Profile for 2017-18 – January 2017 CREG Revenue Forecast, 2017

[3] Consensus Revenue Estimating Group, Wyoming State Government Revenue Forecast, January 2017

[4] Wyoming Department of Administration and Information, Headcount Summary, July 2017

[5] Census Population Estimates

[6] Pew Charitable Trusts, State Employee Health Care Spending, August 2014 (Data reflects 2013 expenditures)

- Employee Health Benefit Spending Comparison

[7] Pew Charitable Trusts, State Retiree Health Care Spending, May 2016

- Annual pension spending as a percentage of ARC

[8] Public Plans Data, State Pension Data, <http://publicplansdata.org/quick-facts/by-state/>, 2017

- ARC as a percentage of local source spending

[9] Wyoming Retirement System, Northern Trust versus State Auditor's Office Disbursement Costs, July 2017

- Retirement benefits payments mechanisms

[10] State of Wyoming Legislature, State Procurement & Leasing of Non-Governmental Facilities for State Agencies Scoping Paper, December 2016

- Procurement spending for strategic sourcing exercise and collaborative purchasing

Appendix A: Data Sources

Department of Administration and Information

[11] FY2015-2016 and FY2017-2018 Biennium Budget & Headcount

- FY2015-2016 appropriations as of 2016 Budget Session
- FY2017-2018 reflects revised appropriations prepared for the January 2017 Legislature

[12] Census Population Estimates

[13] Department of Administration and Information Budget, 2017

Department of Education

[14] FY2015-2016 and FY2017-2018 Biennium Budget & Headcount

- FY2015-2016 appropriations as of 2016 Budget Session
- FY2017-2018 reflects revised appropriations prepared for the January 2017 Legislature

[15] Census Population Estimates

[16] National Center for Education Statistics, The Condition of Education, <https://nces.ed.gov/programs/coe/>, 2017

- Percentage of free and reduced lunch students
- Percentage of English Language Learners
- Student to Teacher Ratio
- Student to FTE Ratio

[17] Wyoming Department of Education, Three-Year District Enrollment, 2017

- Number of school districts by enrollment band
- Percent of student population by enrollment band
- District size vs. per pupil spending
- Distribution of schools by SY2017 enrollment

Appendix A: Data Sources

Department of Education (continued)

[19] Catalog of Federal Domestic Assistance, <https://www.cfda.gov/>, 2017

- Federal Funding Profile for Schools

[20] Wyoming Department of Education, IDEA State Level of Maintenance of Fiscal Support Calculation, 2017

- MFS growth spending comparison
- MFS per special education student
- MFS growth reduction projected savings

[21] United States Department of Agriculture – Food and Nutrition Service, Child Nutrition Tables: State Level Tables, 2017

Department of Health

[22] FY2015-2016 and FY2017-2018 Biennium Budget & Headcount

- FY2015-2016 appropriations as of 2016 Budget Session
- FY2017-2018 reflects revised appropriations prepared for the January 2017 Legislature

[23] Wyoming Department of Health, Wyoming Medicaid Annual Report, FY2016

[24] Census Population Estimates

[25] Kaiser Family Foundation, Data Note: Variation in Per Enrollee Medicaid Spending, June 2017 (Data reflects FY2014 expenditures)

- Overall State Medicaid spending per enrollee
- Medicaid spending benchmarking

[26] Wyoming Department of Health, Government and Efficiency Commission: Wyoming Medicaid, 2017

- Cost by member type in Wyoming and US averages

Appendix A: Data Sources

Department of Health

[27] Truven Health Analytics, Medicaid Expenditures for Long-Term Services & Supports in FY2015, June 2017

- Senior & Disabilities Medicaid Spending by Service Type

[28] Wyoming Department of Health, Historical Growth in the Wyoming Department of Health Budget, 2017

- Long-Term Care Settings of Medicaid Members
- I/DD and ABI Waiver Growth
- Long-term Care and Assisted Living Facility Waiver Growth
- Nursing Facility Growth

[29] FY2015 Wyoming Medicaid PERM Cycle 1 Summary Report

- PERM 17-State Cycle 1 Medicaid Finds
- Wyoming Medicaid Findings
- Medicaid FFS Data Processing Review Error Type by Overpayments, Underpayment, and Percentage of Data Processing Errors

[30] Wyoming Department of Health, Summary of PERM Pilot Results, 2017

- Perm Pilot Eligibility Review

[31] PCG Incorporated, Memorandum: “Wyoming School-Based Services Reimbursement Opportunity Executive Summary.”

- Quantification of School Based Medicaid-eligible services provided in schools

[32] Electronic Visit Verification

- Proposed House Bill Would Mandate Electronic Visit Verification System for Personal Care Services under Medicaid (http://www.nahc.org/NAHCReport/nr150915_1/)

Appendix A: Data Sources

Department of Health (continued)

[33] Money Follows the Person (MFP) Findings for Transitions to Home and Community Based Care

- Pathways to Independence: Transitioning Adults Under Age 65 from Nursing Homes to Community Living (<https://www.mathematica-mpr.com/our-publications-and-findings/publications/pathways-to-independence-transitioning-adults-under-age-65-from-nursing-homes-to-community-living>)
- Money Follows the Person 2015 Annual Evaluation Report (<https://www.mathematica-mpr.com/our-publications-and-findings/publications/money-follows-the-person-2015-annual-evaluation-report>)
- MFP 2015 Annual Evaluation Report. May 11, 2017. p. xviii.
- Beyond section Q: prioritizing nursing home residents for transition to the community (<https://www.ncbi.nlm.nih.gov/pmc/articles/PMC3522008/>)
- Transitions and Long-Term Care: The Minimum Data Set 3.0 Section Q and Money Follows the Person (https://www.acl.gov/sites/default/files/programs/2017-03/AoA_ACA_Slides_013012.pdf)

[34] GAO: Telehealth and Remote Patient Monitoring Use in Medicare and Selected Federal Programs. April 2017

Department of Revenue / Department of Audit

[35] FY2015-2016 and FY2017-2018 Biennium Budget & Headcount

- FY2015-2016 appropriations as of 2016 Budget Session
- FY2017-2018 reflects revised appropriations prepared for the January 2017 Legislature

[36] Census Population Estimates

[37] Wyoming Department of Revenue, Annual Report 2016

- Local and State Assessed Valuation

[38] US Census Bureau, Quarterly Summary of State and Local Tax Revenue, 2017

- Tax growth by Quarter 2Q 2016 through 1Q 2017

[39] US Census Bureau, State Government Tax Collections, 2013

- Tax collections by source as a percentage of total tax collections

Appendix A: Data Sources

Department of Revenue / Department of Audit (continued)

[40] Tax Foundation, State and Local Sales Tax Rates in 2015, 2015

- Combined sales tax rates

[41] Wyoming Department of Revenue, Oblique and Orthogonal Aerial Imagery Acquisition, August 2015

- Business case for aerial imagery for property tax valuation

APPENDIX B: ACRONYMS



Appendix B: Acronym List

Acronym	Meaning	Acronym	Meaning
A&D	Aged & Disabled	EAD	Economic Analysis Division (A&I)
A&I	Department of Administration & Information	ECOS	Environmental Counsel of the States
ABI	Acquired Brain Injury	ED	Emergency Department
ACA	Affordable Care Act	EID	Employed Individuals with Disabilities
ADM	Average Daily Membership	ELL	English Language Learners
AG	Attorney General	EPSDT	Early & Periodic Screening, Diagnostic, and Treatment
AIM	Asset Information Management (AssetWorks)	ERP	Enterprise Resource Planning
ARC	Annual Required Contribution	ESEA	Elementary and Secondary Education Act
AWOS	Automated Weather Observation System	ETS	Enterprise Technology Services
BOCES	Board of Cooperative Education Services	EVV	Electronic Visit Verification
BOCHES	Board of Cooperative Higher Education Services	FAA	Federal Aviation Administration
BPI	Business Process Improvement	FF	Federal Funds
BRA	Budget Reserve Account	FFP	Federal Financial Participation
CAFR	Comprehensive Annual Financial Report	FFS	Fee for Service
CGI	Consultants to Governments and Industries	FMLA	Family Medical Leave Act
CHIP	Children's Health Insurance Program	FRL	Free & Reduced Lunch
CMS	Centers for Medicare and Medicaid Services	FTE	Full Time Equivalent
COTS	Commercial Off-the-Shelf	GF	General Funds
CREG	Consensus Revenue Estimating Group	GGO	Governor's Grants Office
DCF	Discounted Cash Flow	GIS	Geographic Information System
DEQ	Department of Environmental Quality	HCBS	Home and Community Based Services
DFS	Department of Family Services	HIE	Health Information Exchange
DOA	Department of Audit	HRD	Human Resources Division (A&I)
DUPRE	Director's Unit of Policy, Research & Evaluation (WDH)	HRIS	Human Resources Information System
DVSA	Domestic Violence/Sexual Assault	HSA	Health Savings Account

Appendix B: Acronym List

Acronym	Meaning	Acronym	Meaning
HVAC	Heating, ventilation, and air conditioning	MSP	Medicaid Secondary Payer
I/DD	Intellectual and Developmentally Disabled	NASPO	National Association of State Procurement Officers
IBARS	Internet Budget and Reporting System	NWS	National Weather Service
IDEA	Individuals with Disabilities Education Act	OF	Other Funds
IEP	Individual Education Plan	OMB	Office of Management and Budget
IHS	Indian Health Services	OPEB	Other Post-Employment Benefits
IT	Information Technology	OSLI	Office of State Lands and Investments
KPIs	Key Performance Indicators	P3	Public Private Partnership
LOC	Level of Care	PACE	Program for All-inclusive Care fo the Elderly
LOS	Line of Service	PBB	Performance Based Budgeting
LSO	Legislative Services Office	PBMS	Pharmacy Benefit Management System
LSRA	Legislative Stabilization Reserve Account	PCMH	Patient Centered Medical Home
LTC	Long-Term Care	PDO	Prescription Drug / Opioid
LTSS	Long-Term Services and Supports	PERM	Payment Error Rate Measurement
MAC	Medical Administrative Claiming	PMPM	Per Member Per Month
MAGI	Modified Adjusted Gross Income	POC	Point of Contact
MDS	Minimum Data Set	POST	Peace Officers Standards Training
MDT	Mult-Disciplinary Team	PRTF	Psychiatric Residential Treatment Facility
MEQC	Medicaid Eligibility Quality Control	QIO	Quality Improvement Organization
MFN	Most Favored Nation	RFP	Request for Proposals
MFP	Money Follows the Person	RIF	Reduction in Force
MFS	Maintenance of Fiscal Support	ROTC	Reserve Officers' Training Corps
MMIS	Medicaid Management Information System	SAGE	Spending And Government Efficiency
MOE	Maintenance of Effort	SAMHSA	Substance Abuse and Mental Health Services Administratic
MOU	Memorandum of Understanding	SAO	State Auditor's Office

Appendix B: Acronym List

Acronym	Meaning	Acronym	Meaning
SAS	Statistical Analysis Software	TOP	Treasury Offset Program
SBS	School Based Services	UI	Unemployment Insurance
SCD	State Construction Department	VA	Veterans Administration
SEFA	Schedule of Expenditures of Federal Awards	WCA	Wyoming Contractors Association
SEMC	Standardization and Efficiency Management Committee	WCCA	Wyoming Contract Coalition Association
SEO	State Engineer's Office	WDE	Wyoming Department of Education
SIS	Student Information System	WDH	Wyoming Department of Health
SLAMS	State Lands Asset Management System	WDR	Wyoming Department of Revenue
SME	Subject Matter Expert	WEBT	Wyoming Employee Benefit Trust
SPCR	State Parks and Cultural Resources	WLRC	Wyoming Life Resource Center
SPED	Special Education	WOLFS	Wyoming Online Financial Statement
SPOC	Span of Control	WSBA	Wyoming School Boards Association
SUP	Super-Utilizer Program	WYDOT	Wyoming Department of Transportation
SWCAP	Statewide Cost Allocation Plan		

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